



# **Ankara Bus Project**

Non-Technical Summary

December 2020



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# 1 Project Summary

## 1.1.1 Background information

The European Bank for Reconstruction and Development (the “EBRD” or the “Bank”) has been requested by Ankara Metropolitan Municipality (“AMM” or the “City”) and Ankara Transport Company (“EGO” or “the Company”) to provide loan financing to EGO, a public transport company incorporated in the City of Ankara in Turkey, affiliated to the City. The proceeds of the loan will be used to finance the 254 Compressed Natural Gas (“CNG”) buses, up to 28 diesel buses and a CNG filling station.

The purpose of this Non-Technical Summary (“NTS”) is to provide an overview of key findings and conclusions of the environmental and social due diligence (“ESDD”) of the planned investment in acquisition of new buses for the city of Ankara. The NTS is a document included in the Project’s disclosure package and prepared in line with the EBRD Environmental and Social Policy and Performance Requirements incorporated in the Policy.

## 1.2 Current Transport Situation in Ankara

EGO, the Project Company, was established in 1942 to serve the City of Ankara on a wider range of services including Electricity, Coal Gas, and Public Transport. The Company is affiliated to AMM and has its own independent budget and organizational structure. EGO currently has 601 employees.

EGO is the main bus operator in the City of Ankara with 1,562 buses operating on 414 lines, with a total distance of 15,690 km. In addition to the municipal bus operations, Ankara is currently served by a cable car system, a suburban rail named Ankaray and four metro lines of the Ankara Metro. In total, EGO operates a 64.3km rail network (including 8.3 km light rail line). The Company uses e-ticketing system, which is fully integrated with rail systems and cable car lines. Another transportation service available in Ankara is the commuter rail (27 km), also known as the Baskentray which is integrated to the metro. The commuter rail is operated by the State Railway Company of Turkey. EGO also has five depots Gölbaşı-Çankaya (No.1), Yenimahalle (No.2), Mamak (No.3), Altındağ-Keçiören (No.4) and Sincan-Etimesgut (No.5) and 50 departure stations associated with these depots.

In 2019 about 431,1 million passengers were transported by EGO buses in Ankara.

## 1.3 Proposed Project

The investment will procure 254 Compressed Natural Gas (“CNG”) buses, up to 28 diesel buses (Euro VI compliant) and a filling station. The composition of the new bus fleet had been defined by their future operator, EGO, comprising of 91 standard CNG buses, 163 articulated CNG buses and 28 articulated diesel buses.

Due to the topological features of Ankara, some of the bus routes have high elevation. Longer and hilly routes that diesel buses handle with ease were impractical with CNG buses. Therefore, the Company needed to maintain diesel buses on its fleets due to the CNG buses’ poor climbing ability.

The project will include construction of a CNG filling station. The new filling station will be used for the benefit of existing as well as planned CNG fleet. Therefore, it is planned to build a 2 km

high-pressure natural gas connection line from the main gas pipeline to the new CNG filling station.

The tentative procurement and delivery programme assume that both the procurement and delivery of the buses and the construction of the CNG filling station will be completed in 2021.

## 1.4 Project Justification and Screening

Enhancement of the bus fleet through the purchase of new buses will replace the 101 oldest operational EGO buses, that were made in 1999 and are about to be scrapped. The additional number of 181 new buses will replace the 210 standard buses purchased in 2007. In recent years the modal share of the EGO bus company has dropped where the bus per capita in operation by the company has decreased by 27% between 2013 and 2019. In addition, the municipality land area that EGO must give service to has increased by 200%. The new bus fleet will be operated on the existing EGO network. The new buses will carry annually more than 60 million passengers in Ankara, which accounts for 13 % of the total demand for EGO buses. The replacement of old buses will also help to improve local air quality and bring substantial economic and public health benefits. Due to combination of new modern EURO VI CNG buses and Diesel EURO VI buses GHG and air pollution emissions per place-kilometre have been reduced in project case.

A new CNG station will be built since the operational reliability of existing stations is low due to their low pressure, causing disruptions and extra time required in refuelling process.

A technical, environmental and social due diligence study was commissioned by the EBRD to review the Project proposal, justify the investment and screen the Project against national and international E&S compliance. The screening process looked into:

- Economic efficiency of the investment cost
- Transportation service improvement
- Reduction of operating and maintenance costs (power consumption, labour, maintenance and repair costs)
- Community impacts (community health and safety effects, traffic and road safety, accessibility for people with disabilities, gender base violence and harassment, reduction of noise emission and air pollution along routes and etc.)
- Social impacts (labour and working conditions, non-discrimination and equal opportunities, supply chain, grievance mechanism, land acquisition and etc.)
- Environmental impacts (reduction of air pollution, greenhouse gas emission, improvement of resource efficiency (water, energy, fuel), opportunities to improve waste and hazardous material management and etc).

The potential E&S impacts identified and addressed during the ESDD are summarised below in Chapters 2 and 3.

## 2 What are Environmental and Social Impacts and Risks of the Project and What Mitigations are Proposed?

The ESDD study assessed and explained Project's potential positive and adverse impacts; i.e. what opportunities the Project may offer, E&S impacts and risks of the Project associated with the construction period and the Project operation phase. Most of the envisioned economic and social impacts of the Project are positive whereas there are few potential adverse impacts of the Project. These are summarised below in Table 1.

**Table 1: Project Environmental and Social Impacts**

Benefits	Positive Impacts
<b>Construction phase</b>	
Employment generation at contractor companies for the period of construction	Few jobs for unskilled workers for the Project construction phase only
Procurement opportunities for businesses based in Turkey during the Project construction phase	Few procurement opportunities for regional and/or national suppliers
Better management of contractors through implementation of contractor management plan, labour audit mechanism	Overall reduction of environmental and social impacts
<b>Operation phase</b>	
As result of replacement of buses air emissions along the routes may significantly decreased compared to the baseline (NO <sub>x</sub> reduced by 165 tons, PM reduced by 0.62 tons per year)	Decrease of community H&S risks associated with reduction of pollution emissions in the service area
Reduction of greenhouse gas emissions by 7,223 tons CO <sub>2</sub> per year	Reduction of a climate change risk
Overall reduction of impacts through better collection and proper containment of waste and hazardous materials	Prevention of potential soil and ground water pollution
Improved Road and Traffic Safety Management	Reduction of traffic related accidents
Better ESMS system and established HSES capacity	Overall reduction of environmental and social impacts
Commissioning of modern buses and amendment of facilities (including rest rooms, change rooms, toilets etc. in depots and departure stations)	Improved working environment for at least for 2,388 bus drivers and maintenance staff of five depots working in improved and more safe working environment.
Improved quality and reliability of public transport services in Ankara	Improved quality and reliability of public transport service at least for 5,639,076 residents of Ankara
Inclusion effect of the improved public transport service	Inclusion of public transport service at least for 90,707 people with disabilities, 2,845,226 women and 486,783 elderly persons
Procurement opportunities for businesses based in Turkey during the Project operation phases	Few procurement opportunities for regional and/or national suppliers
Promotion of equal opportunities	Equal opportunities for female drivers and security guards serving Project Company
Improved health and safety management and implementations	Improved health and safety conditions for all EGO staff, contractors and community

Capacity building including training opportunities	Capacity increase opportunity for senior management, ESMS staff, bus drivers and security guard serving for the Project Company
Increased GBVH awareness	Reduction of gender-based violence
<b>Risks</b>	<b>Adverse Impacts</b>
<b>Construction Phase</b>	
<ul style="list-style-type: none"> <li>• Risk of poor EHS and labour management in organisations of contractors and suppliers involved in the Project</li> <li>• Risk of increased GHG emissions during construction</li> <li>• Community H&amp;S risks during construction</li> <li>• OHS risks during construction</li> </ul>	<ul style="list-style-type: none"> <li>• Soil and groundwater impacts during construction</li> <li>• Air pollution impact during construction</li> <li>• Noise emissions impact during construction</li> <li>• Accidents</li> </ul>
<b>Operation Phase</b>	
<ul style="list-style-type: none"> <li>• Risk of non-compliance with the EBRD requirements applicable to the Project</li> <li>• Risk of not having all relevant permits and approvals required by national law</li> <li>• Risk of insufficient HSES organizational capacity</li> <li>• Risk of poor pollution prevention and control</li> <li>• Risk of increased environment pollution associated with existing operations</li> <li>• Risk of poor labour and working conditions of workers during operation</li> <li>• Community H&amp;S risks during operation including traffic and gender-based violence and harassment risks</li> <li>• OHS risks during operation</li> <li>• Risk of poor supply chain management</li> <li>• Risk of poor community relations and complaint management</li> <li>• Security risks</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental and social impacts associated with the existing operations</li> <li>• Accidents</li> </ul>

## 2.1 Proposed Mitigation Measures

The Project Environmental and Social Action Plan has been developed to address gaps identified during the Project screening process. Implementation of the ESAP actions will support the Project in achieving national and international compliance during construction and operation and promote good international practice in managing risk and mitigating potential impacts.

### Improvement of Environmental and Social Management

One of the key drivers to effective environmental, health and safety (“EHS”) management is the introduction of an effective management system (or key components) and capacity building within the relevant Project Company’s departments. The ESMS system will be implemented by the Project Company’s staff and its contractors.

## Managing Risks and Impacts during Construction

A contractor management system will be established before the tender process. Tender document will be prepared taking into consideration the EBRD requirements applicable to the Project.

A Construction Environmental and Social Management and Monitoring Plan (“**CESMMP**”) will also be developed by EGO and implemented by the selected contractor(s). The primary objective of the CESMMP is to safeguard the environment, site staff and the local communities from any Project activity that may cause harm or nuisance. The CESMMP will be developed in compliance with applicable national legislation, EBRD requirements, ILO and EU standards with regard to EHS and labour management (including prohibition of child and forced labour, working conditions and workers’ accommodation arrangements, working hours, pay and access to workers’ grievance mechanism). The contractor(s) EHS and labour performance will be monitored by the Project Company’s EHS Department.

Soil and groundwater impacts, air pollution and noise emission impacts during construction will be mitigated through measures included in the CESMMP (e.g., prohibition of idle running of vehicles and waste burning, prevention of dust emission, prohibition of noisy works during at night time, prevention of leaks of oil products and contaminated storm water, etc.).

Risk of chance finds on site is low and national chance finds procedure will apply should any finds be identified.

The construction site will be fences and guarded to avoid any unauthorised access and prevent community H&S risk.

## Managing Risks and Impacts during Operation

The Project Company will take specific health and safety, environmental and social (HSES) provisions in order to manage risks and impacts during operation:

- Ensure compliance with national legislation and receipt of all relevant permits
- Improve current ESMS System
- Build HSES organizational capacity
- Develop and implement a training programme for all workers and bus drivers
- Establish a worker’s grievance mechanism
- Establish a labour audit mechanism for contractor workforce
- Establish an emission inventory and reporting
- Improve waste and hazardous material management
- Improve health and safety management and implementations
- Revise health and safety risk assessments
- Develop a Covid-19 specific risk assessment
- Develop an accident investigation system
- Establish a permit to work system
- Improve the conditions of staff welfare facilities in depots and in departure stations
- Develop and implement a community health and safety management plan including pandemic management
- Develop and implement an emergency preparedness and response plan

- Establish policies and procedures for gender-based violence risks of sexual harassment, sexual exploitation and abuse to project-affected persons, communities and passengers
- Develop a Road and Traffic Safety Management System
- Develop and conduct an awareness raising programme on road safety including campaigns targeting the young, children, elderly, women, and disabled pedestrian and passengers
- Establish a supply chain monitoring system
- Prepare a security management system
- Prepare a land acquisition procedure and link land permit with permit to work system
- Implement a meaningful stakeholder engagement plan (SEP) and an effective grievance management and revise annually

## 3 Management, Monitoring and Reporting

### 3.1 Project Management Plans and Procedures

EGO has ISO 9001:2015 Quality Management System Certification, ISO 10002:2018 Quality Management - Customer Satisfaction System, ISO 14001:2015 Environmental Management System Certificate, and OHSAS 18001:2007 Occupational Health and Safety (H&S) Management System. The certificates of these systems are valid until 14 October 2020. EGO informed that the renewal audits for the certificates were already started and expected to be completed in a short period of time. However, there are still areas of improvement. With that in mind, the Project Company will be further develop and/or enhance its management of the following key E&S aspects in respect of the Project's construction and operation phases:

- Environmental, social, health and safety policy
- Human resource policy and procedures
- Equal opportunities policy
- Gender action plan and workplace gender equality policy and procedures
- Environmental and social management and monitoring plan
- OHS management plan and procedures
- Road and traffic safety management plans and procedures
- Training plan
- Contractor management plan
- Air quality control and monitoring plan
- Water and wastewater management plan
- Noise and vibration control and monitoring plan
- Waste management plan
- Hazardous material management plan
- Community health and safety management plan
- Emergency preparedness and response plan
- Stakeholder engagement plan
- Security management plan
- Worker's grievance procedure
- EHS audit procedure
- EHS risk assessment procedure
- Permit to work procedure
- Vetting process policy and procedure
- Land acquisition procedure
- Supply chain monitoring procedure
- Accident investigation procedure
- Chance find procedure

The Project Company will be responsible for delivery of the ESAP actions and monitoring activities at different phases of the Project as determined in the ESAP.

## **3.2 Management and Monitoring during Construction**

During the construction phase the Project Company will monitor the contractors' EHS performance, HR management and compliance with the labour law of Turkey. For this purpose, the Company will appoint EHS and HR specialists who will be responsible for supervision and monitoring of contractors' performance.

The Project Company will check contractors' environmental and social management system and documentation for their activities for review and verify compliance with their own plans and procedures and monitor the contractors' implementation of the environmental and social management system for the construction site.

The Project Company will closely review all contractors' reports for compliance and undertake, on a regular basis, EHS and labour performance monitoring missions as per the CESMMP. Quarterly Reports to be issued by the Project Company to the EBRD (Quarterly Report template will be agreed with the EBRD).

### **3.2.1 EBRD Monitoring**

The EBRD in addition to its external consultant will undertake quarterly monitoring to verify Project progress against the ESAP and CESMMP as well as assess compliance with the EBRD Performance Requirements.

### **3.2.2 Annual Reporting to the EBRD**

An annual E&S Report to the EBRD will be produced for the duration of the Loan Agreement summarising Project EHS performance, ESAP progress, CLO activities including grievances and updates to the SEP.

## 4 How is Stakeholder Engagement done for the Project?

Stakeholders are people and groups affected by the project, are likely to be interested and/or could influence the outcome of the project. In order to engage these individuals and groups, identification of these groups is necessary. EGO recognises that specific attention may need to be given to impacted women and vulnerable groups in order that they are not overlooked in the stakeholder engagement process and to enable their views and concerns to be heard and incorporated into project planning and implementation. EGO will continue to have this approach throughout the project lifecycle to identify any individuals and groups that may be differentially or disproportionately affected by the construction and operation activities of the Project and EGO because of their disadvantaged or vulnerable status (including individuals/groups such as those with disabilities or limited education who may be particularly susceptible to project-related impacts).

A stand-alone Stakeholder Engagement Plan (SEP), which describes the engagement mechanisms by which people, communities and other related stakeholders are informed and provided with an opportunity to raise their comments and feedbacks related with the Project, is developed for the Project. The SEP summarizes the consultation that has already been undertaken and briefly outlines engagement activities planned to be conducted in future.

EGO has a specific department, Service Improvement Directorate (under Service Improvement and Institutional Development Department), to conduct public communication and manage the public grievance mechanism, Bařkent 153. In Bařkent 153, grievances/suggestions can also be raised by calling 24 hours call centre (namely Alo 153) and through application on a smartphone, social media (such as Instagram, Twitter, etc.) and the webpage (<https://www.ego.gov.tr/tr/sayfa/50/ego-iletisim>).

A separate grievance mechanism and reporting system, that enables complaints and grievances on sexual harassment, exploitation and abuse to be reported in a safe and confidential way, will be established; one for use by workers, administered by human resources with outside expertise on gender-based violence and harassment (GBVH) when needed; and another for use by passengers and affected communities, administered by a different community liaison officer, with similar support from outside expertise.

A project-specific community liaison officer (CLO), working in Service Improvement Directorate related to Bařkent 153, will be appointed for the stakeholder engagement activities. These include managing the implementation of this SEP, arranging communications with stakeholders, management of the grievance mechanism, and attending and recording stakeholder engagement activities and maintaining regular lines of communication with key stakeholders.

## 5 How Project Information will be Disclosed?

Information on the Project is available on the Ankara Metropolitan Municipality website. Any Project updates will be published on this web-resource.

In compliance with the EBRD's requirements the Project has prepared a disclosure package to inform communities and other stakeholders of the proposed Project. This includes:

- Non-Technical Summary (this document)
- Stakeholder Engagement Plan – proposes a disclosure programme and aimed to inform meaningful on-going consultation with key Project stakeholders and affected communities.

The disclosure package is available to the public via the Project website or upon request to the Community Liaison Officer (“**CLO**”) via contact details as described below.

Should you have any questions / comments on the Project, please also contact the Project CLO:

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