

## SBF Project Implementation Monitoring Report

### Turkey: Gas Storage Expansion Project

#### 1. Project Information

|                       |  |                      |        |
|-----------------------|--|----------------------|--------|
| Project Name:         | Turkey Gas Storage Expansion Project     | Project No:          | 000062 |
| Region/Country:       | Western Asia/Turkey                      | Sector(s):           | Energy |
| Year of Approval:     | FY 2018                                  | Financing Type:      | SBF    |
| Financing Instrument: | Loan                                     | Co-financier(s):     | IBRD   |
| Project Team Leader:  | Hari Bhaskar                             | Implementing Agency: | BOTAS  |
| Field Visits          | Oct 2018   Feb 2019   Sep 2019 (planned) |                      |        |

#### 2. Project Objective

To increase the reliability and security of Turkey's gas supply by expanding underground gas storage capacity.

#### 3. Key Dates

|                |                  |                         |               |
|----------------|------------------|-------------------------|---------------|
| Loan Approval: | June 24, 2018    | Loan Signing:           | June 27, 2018 |
| Effectiveness: | July 17, 2018    | Restructuring (if any): | n/a           |
| Orig. Closing: | October 31, 2024 | Rev. Closing (if any):  | n/a           |

#### 4. Disbursement Summary

|                         |                |   |                            |
|-------------------------|----------------|---|----------------------------|
| Approved Commitment:    | USD600,000,000 | Rev. Commitment (if any):                   | NA                         |
| Total Disbursed Amount: | USD56,697,000  | Most recent disbursement: (amount and date) | USD 55,197,000<br>May 2019 |
| Undisbursed Balance:    | USD544,803,000 | Disbursement Ratio:                         | 9.5%                       |

#### 5. Project Implementation Status

The loan was effective in July 2018. The project will have one large EPC contract and two consultancy contracts. The EPC contract has been awarded in Q1 2019. The consultancy contracts are in the advanced stage of procurement and are expected to be awarded in Q3 2019. Procurement progress is on track and no delays anticipated so far.

| Components   | Physical Progress | Safeguards Compliance | Procurement                        | Financial Management                 |
|--|-------------------|-----------------------|------------------------------------|--------------------------------------|
| Component 1:<br>Tuz Golu gas storage expansion facilities (USD590 million) | -                 | In compliance         | EPC contract awarded in March 2019 | First FM reports expected in Q3 2019 |
| Component 2:<br>Supervision consultancy (USD8 million)                     | -                 | In compliance         | Contract award expected in Q3 2019 | First FM reports expected in Q3 2019 |
| Component 3:   | -                 | In compliance         | Contract award expected in Q3 2019 | First FM reports expected in Q3 2019 |

|  |  |  |  |  |
|--|--|--|--|--|
| ESIA and RAP monitoring consultancy (USD2 million) |  |  |  |  |
|--|--|--|--|--|

## 6. Status of the Grievance Redress Mechanism (GRM)

GRM in place. No grievances registered so far.

## 7. Results Monitoring

| Project Objective Indicators  | Baseline (2018) | 2019   |        | 2020   |        | 2021   |        | 2022   |        | 2023   |        | 2024   |        | End Target (2024-25) |        | Others, if any |
|---|-----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------|--------|----------------|
|   |                 | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target               | Actual |                |
| <b>Indicator #1:</b><br>Reduction of gas supply curtailments (billion cubic meter)                              | 0               | 1.5    | n/a    | 1.5    | n/a    | 0.8    | n/a    | 0.8    | n/a    | 0      | n/a    | 0      | n/a    | 0                    | n/a    |                |
| <b>Indicator #2:</b><br>Reduction of spot LNG purchases (%)   | 0               | 0      | n/a    | 0      | n/a    | 0      | n/a    | 0      | n/a    | 4      | n/a    | 31     | n/a    | 67                   | n/a    |                |
| <b>Indicator #3:</b><br>Increase in gas storage capacity (billion cubic meter)                                  | 0               | 0      | n/a    | 0      | n/a    | 0      | n/a    | 0.2    | n/a    | 1.6    | n/a    | 4      | n/a    | 4.0                  | n/a    |                |
| Results Indicators  | Baseline (2018) | 2019   |        | 2020   |        | 2021   |        | 2022   |        | 2023   |        | 2024   |        | End Target (2024-25) |        | Others, if any |
|   |                 | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target | Actual | Target               | Actual |                |
| <b>Indicator #1:</b><br>Turkish consumers benefitting from gas supply (million)                                 | 14              | 14     | n/a    | 15     | n/a    | 16     | n/a    | 16     | n/a    | 17     | n/a    | 17     | n/a    | 18                   | n/a    |                |
| <b>Indicator #2:</b><br>Implementing RAP to compensate project affected persons (%)                             | 0               | 0      | n/a    | 100    | n/a    | 100    | n/a    | 100    | n/a    | 100    | n/a    | 100    | n/a    | 100                  | n/a    |                |
| <b>Indicator #3:</b><br>Registered grievances addressed within the stipulated time frame (%)                    | 0               | 50     | n/a    | 60     | n/a    | 70     | n/a    | 80     | n/a    | 90     | n/a    | 90     | n/a    | 90                   | n/a    |                |
| <b>Indicator #4:</b><br>Registered grievances submitted by women addressed within the stipulated time frame (%) | 0               | 50     | n/a    | 60     | n/a    | 70     | n/a    | 80     | n/a    | 90     | n/a    | 90     | n/a    | 90                   | n/a    |                |

|  |   |    |     |    |     |    |     |    |     |    |     |    |     |    |     |  |  |
|--|---|----|-----|----|-----|----|-----|----|-----|----|-----|----|-----|----|-----|--|--|
| <b>Indicator #5:</b><br>Number of community consultations held for women in proportion to the total number of consultations held (Ratio) | 0 | 20 | n/a | 25 | n/a | 30 | n/a | 35 | n/a | 40 | n/a | 40 | n/a | 40 | n/a |  |  |
|--|---|----|-----|----|-----|----|-----|----|-----|----|-----|----|-----|----|-----|--|--|