Project Summary Information

	Date of Document Preparation/Updated: 03/06/26
Project Name	Water Efficiency and Climate Resilience for Results (Results-Based Financing)
Project Number	P001015
AIIB member	Türkiye
Sector/Subsector	Water
Alignment with AIIB's thematic priorities	Green Infrastructure; Technology-enabled Infrastructure
Status of Financing	Under Preparation
Objective	The Results-Based Project (RBP) aims to enhance water conveyance efficiency and climate resilience in Türkiye's water-scarce and flood-prone regions by promoting modern, pressure-regulated irrigation systems and strengthening flood control capacity.
Project Description	Türkiye's geographic, climatic, and socioeconomic conditions make it highly vulnerable to the impacts of climate change. Climate change is actively reshaping water availability and reliability, primarily due to projected fundamental changes in the hydrological cycle. These compounded pressures strain agriculture, urban supply, energy systems, and ecosystems, and demand integrated water management, efficiency improvements, and climate resilience strategies if long-term stability and sustainability are to be achieved. The most significant impacts of climate-induced water scarcity are anticipated in changes to crop yields. Türkiye is a major exporter of agricultural products globally, and the agriculture sector has been a major source of employment. Water scarcity threatens export earnings and demand for skilled and unskilled labor, and affects food prices, and impacts lower-income households the most. To address these challenges, Türkiye had put in place a comprehensive climate change adaptation strategy and action plan as well as a water efficiency strategy and action plan. Second to earthquakes, floods cause the most damage among disasters in Türkiye. In the last decade, the three most frequent meteorological events were storms, heavy precipitation/floods and hailstorms, of which heavy precipitation/floods accounted for nearly one-third. According to various estimates, the annual average loss from climate-related disasters accounts for 2-3% of GDP and a 100-year flood may affect more than 3% of GDP.

	DSİ (Devlet Su İşleri Genel Müdürlüğü) is Türkiye's General Directorate of State Hydraulic Works, the main national government agency, established in 1954, and is primarily responsible for the planning, development, management, and operation of water resources and hydraulic infrastructure. The DSI's Strategic Plan (2024-2028) is based on Türkiye's 12th Development Plan (2024-2028) and has six priority areas: (a) drinking, utility and industrial water; (b) flood management; (c) effective and efficient use of water; (d) research, improvement and monitoring of water resources; (e) hydroelectric energy; and (f) institutional capacity for the next five years. The proposed Results-Based Financing (RBF) modality is well-suited to support Türkiye in implementation of the clearly defined government programs and strong institutional capacity underpinned by its well-functioning fiduciary, procurement, environmental, social, and monitoring and evaluation systems. The Results-Based Project (RBP) is designed to finance a well-defined part of the overall Strategic Plan. The Results Chain analysis outlines the strategic linkage between the RBP's interventions, and their intended outputs and outcomes over the short, medium, and long terms. Achievement of the RBP Development Objectives is measured through eight project outcome indicators designed to capture performance and outcome improvements achieved by the RBP. These indicators clearly distinguish between new irrigation systems, upgraded irrigation systems, and flood control investments. The RBP focuses on selected vulnerable basins of Türkiye. For the climate resilient irrigation systems, the RBP will support investments in Asi (Orontes), Batı Akdeniz (Western Mediterranean), Büyük Menderes (Aegean), Doğu Akdeniz (Eastern Mediterranean) and Kızılırmak (Black Sea) basins. For flood control measures, the RBP supports investments in the Batı Karadeniz, Kızılırmak and Yeşilırmak Basins, covering Bartın, Düzce, Kastamonu, Ordu, Çankırı and Samsun provinces. By supporting irrigation modernization and strengthening flood control capacity, the RBP will contribute to efficient, resilient and sustainable water management systems. The RBP will be implemented in six years. The direct beneficiaries comprise primarily residents, including members of farming households, residing in areas that benefit from investments in irrigation infrastructure and flood control systems.
Expected Results	1. Expanding access to efficient climate-resilient irrigation services for improved water and land use 2. Improving climate-resilience of existing irrigation systems 3. Enhancing climate resilience of flood-prone areas
Environmental and Social Category	B
Environmental and Social Information	**Applicable Policy and Categorization.** AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL), applies to this Results-Based Project (RBP). As per AIIB's ESP, this RBP has been categorized

	as Category B because the potential environmental and social (ES) risks and impacts of the RBP are low and limited. Category A activities and other activities that are likely to have significant adverse impacts that are sensitive, diverse or unprecedented on the environment and/or Project-affected people, are not eligible for financing under the RBF and are excluded from the RBP. **Environmental and Social Risks and Impacts**. Potential environmental risks and impacts include temporary and localized air, noise and dust pollution; generation of construction waste; soil erosion; and water pollution during construction. Occupational health and safety risks would result from construction activities and increased traffic. Operation phase risks may involve water depletion, waterlogging, salinization, increased agrochemical runoff, biodiversity impacts, and changes to natural flood regimes. Potential social adverse impacts of irrigation and flood control sub-projects under the RBP may include economic and physical displacements of local farmer households due to land acquisition, labor and working conditions concerns and community health and safety risks such as dust, noise, pollution, traffic and waste discharges during construction by the contractors. In addition, the sub-projects under the RBP could have adverse gender impacts if not carefully designed. The sub-projects under the RBP would reduce women's economic opportunities, especially when their agricultural lands are acquired for the construction of schemes under the RBP or when women are excluded from decision-making bodies and Water User Associations. **Environmental and Social Systems Assessment (ESSA) and Institutional Capacity**. ESSA is a prerequisite under RBP financing and has been conducted for the proposed RBP to (a) assess the potential ES risks and impacts of the proposed RBP; (b) assess the adequacy of the systems proposed to be applied to the RBP for managing potential ES risks and impacts; (c) assess the institutional capacity of DSI and involved agencies in managing of ES risks and impacts of the RBP; and (d) recommend actions to strengthen specific aspects of the capacity of involved agencies and these systems for mitigating ES risks and impacts during the preparation and implementation of the RBP. DSI has sufficient technical capacity in ES domains, supported by a team of well-qualified experts. The agency is implementing some projects financed by international agencies while ensuring that ES assessment and management adhere to international standards and good practices. **Stakeholder Engagement, Information Disclosure, and Project Grievance Redress Mechanism.** The Project team and ES consultants have conducted consultations with DSI (Headquarters and Regional Directorates) and relevant agencies as well as local communities during the concept and appraisal stages of the RBP. Further consultations were carried out by the Project team and ES consultants during the ESSA. The required actions to strengthen the ES systems are agreed with DSI and relevant agencies as appropriate. The assessment and the executive summary of the ESSA in English and local

	languages are publicly disclosed. The Grievance Redress Mechanism (GRM) of DSI comprises multiple channels, including a central telephone line, an online GRM portal for public and employee use, the Presidential Communication Center and the Foreigners Communication Center. The ESSA has evaluated the effectiveness and suitability of the existing GRM of DSI to recommend a functional GRM system applicable to the RBP. Information on the established GRM and AIIB's Project-affected People's Mechanism (PPM) is disclosed to Project-affected people in the RBP area. **Monitoring and Reporting Arrangement.** Required ES actions have been included in the RBP Action Plan. Implementation of the ES actions will be monitored and reported based on an agreed format during Project implementation. AIIB will conduct monitoring and supervision during the Project implementation and provide implementation support to the DSI as appropriate.
Cost and Financing Plan	Total Government Plan Cost (DSI Strategic Plan 2024-2028 in the relevant categories): USD11 billion Results-Based Project Costing AIIB Loan: USD500 million Government Contribution: USD300 million
Borrower/Investee Company/Counterparty/Guaranteed entity	Ministry of Treasury and Finance Republic of Türkiye
Guarantor	N/A
Implementing Entity/Sponsor	General Directorate of State Hydraulic Works
Estimated date of loan closing (SBF)/Estimated date of last disbursement (NSBF)/ Estimated Date of first	December 31, 2031

disbursement (Fund)			
Contact Points:	**AIIB**	**Borrower**	**Implementation Organization/Sponsor**
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Date of Concept Decision	Nov. 6, 2025		
Date of Appraisal Decision	Feb. 9, 2026		
Estimated Date of Financing Approval	March. 23, 2026		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) will be used for the RBP. The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the processes of AIIB's management. For information on AIIB's PPM, please visit: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.