

Improving Transport Project Appraisal in OIC Member Countries IsDB Perspective



Outline

- 1. Transport Operations of IsDB**
- 2. IsDB's Appraisal Process for Transport Projects**
- 3. How to Move Forward**
- 4. Conclusion**



Transport Operations of IsDB

- **Key Focus Areas**
 - **Development of International Transport Corridors**
 - Trans-Sahara Highway (TSH)
 - CAREC Transport Corridor
 - **Improve Transport Infrastructure**
 - Roads, Railways, Airports, Seaports
 - **Increase Accessibility**
 - Rural Networks
 - **Urban Transport**



DEVELOPMENT IMPACT

Expansion of
HST network



Improved
interstate
transport



Improved
urban
transport



Improved
transport modal
shift



Reduction of
travel times



Reduction of
travel costs



Reduction of
noise and local
emissions



Decreased CO₂
emissions



Increased traffic
safety



Technology
transfer and
know-how
development



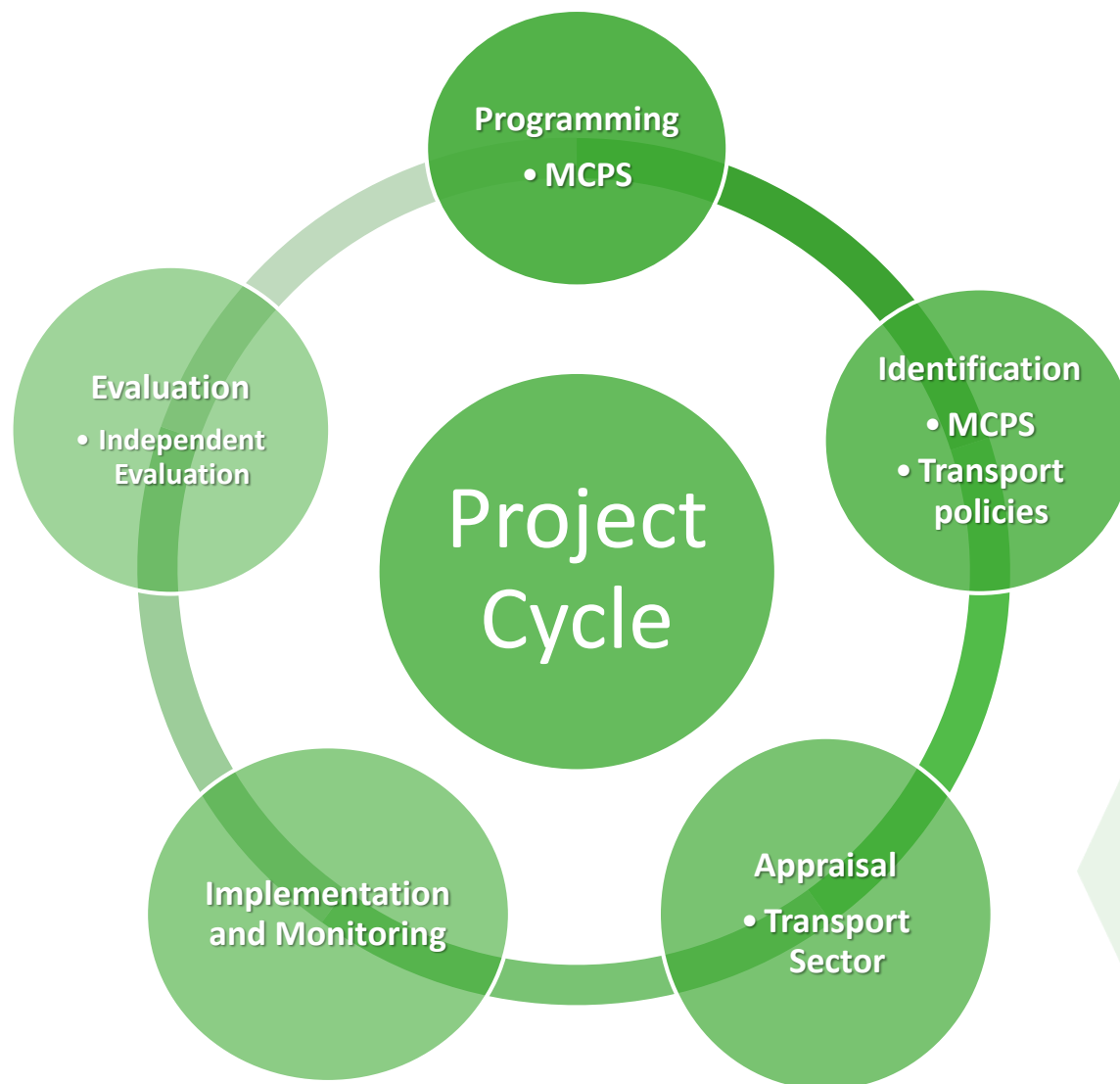
Supporting local
manufacturing



New
employment
opportunities



Project Cycle



Appraisal

- **First «concept» is determined**
- **After, concept is cleared then «appraisal» process initiated**
- **Appraisal is key for IsDB Operations and the Bank assigns a «team» for each project appraisal:**
 - **Team Leader (Transport)**
 - **Sector Specialist (Transport)**
 - **Legal Counsel**
 - **Procurement Specialist**
 - **Country Manager (Liaison Officer)**
 - **Other Specialist (E&S, Urban Transport, Financial Management, etc.) - If needed**
- **Appraisal includes detailed information, analysis and clear outputs**
- **It is a critical step for the rest of the project cycle and for the successful implementation**
- **Appraisal Mission**
- **Meeting with all stakeholders (Ministry of Transport, EA, IsDB Governor Office, Consultants..)**
- **What it should include?**

Appraisal – components

- **Background: Strategic context and rationale as well as info about transport sector**
 - **Economic background**
 - **Sector description, transport sector policies of the country**
 - **Key sector issues/challenges; possible solutions**

- **Project Info:**
 - **The Project**
 - **Project Objectives and Key Indicators**
 - **What are the main project objectives?**
 - **How will these objectives contribute to broader member country partnership strategy?**
 - **Does the project depart from MCPS in context or other aspects? Why?**
 - **Key monitoring indicators**

 - **Project Scope/Components**
 - **Brief description of project components; scope coverage, location, proposed capacity, etc.**

 - **Past Lessons Learned**
 - **Alternatives Considered and Reasons for Rejection**
 - **Project Costs**
 - **Financing Arrangements/ Lending Instruments**



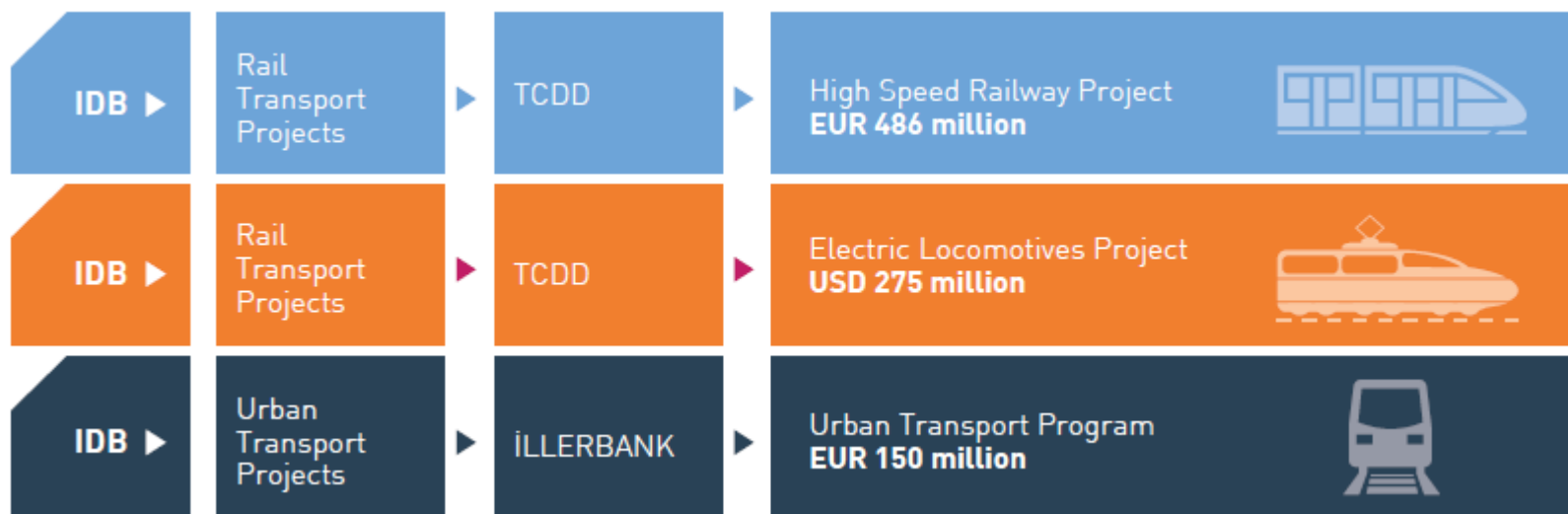
Appraisal – components (contd.)

- **Implementation Arrangements: estimated time period for project implementation and discuss administrative arrangements for its implementation, including project management, procurement, and the roles of various executing and implementing agencies involved. It should also indicate who will be responsible for project oversight and coordination and describe arrangements for monitoring and evaluation**
 - **Executing Agency/Agencies**
 - **Project Implementation Program (Readiness)**
 - **Procurement Arrangement**
 - **Financial Management**
 - **IDB Project Monitoring and Implementation Support Plan**
 - **Monitoring and Evaluation of Outcomes/Results**
 - **Critical Risks and Possible Controversial Aspects**
- **Project Justification**
 - **Technical Feasibility/Alternatives**
 - **Economic Financial Analyses**
 - **Environment/Safeguard**
 - **Sustainability**



Sample projects in Turkey

- **Ankara-Konya High Speed Railway Project with General Directorate of Turkish Railways (TCDD) (EUR 174 million),**
- **Ten High Speed Train Sets with TCDD (EUR 312 million);**
- **Electric Locomotives Project with TCDD (USD 275 million)**
- **Urban Transport Program with ILBANK (EUR 150 million)**



A Case Study for Supporting Urban Transport

The Urban Transport Program intends to facilitate the development of safe, efficient and sustainable transport systems in Turkish cities and thereby to contribute to the socio-economic development of the served cities and the country as a whole. The first project financed under the Program was the expansion of the Antalya Light Rail Transit system (i.e. Phase 2). The expansion project included the construction of an additional 18.1 km line with 15 stations from Meydan-Airport-EXPO.

Manufacturing and procurement of 18 vehicles was conducted through the financing provided under the Program. The 18 vehicles procured under Phase II have started commercial operation in 2017 between the city center and the Airport, currently serving passengers as a comfortable, affordable and efficient mean of transportation. The project is further expected to yield significant positive socio-economic impact on the urban areas of Antalya, while accommodating and promoting growth, increasing road safety and improving quality of life by reducing noise and air pollution.



Light Railway Project, Antalya

How to Move Forward

- IsDB Appraisal process is **updated with feedbacks, implementation assessments** etc.
- **Expectations from MCs;**
 - Only good **project preparations** conclude with good projects and desired output
 - Quality of **Feasibility Report** is a must
 - With good quality of data and project related analysis (**economical, financial, social analysis...**)
 - **Open communication** is the key to have better transport projects to support the development of MCs
- **IsDB is ready to continue its support to MCs through its Regional Hubs & Operations Teams**



Thank You

