

IsDB's Experiences in EIA Process for Transport Projects

21 st Meeting of the COMCEC Transport and Communications
Working Group



12 October 2023

Agenda

1. Introduction to IsDB Group
2. Transport Policy & Operations
3. Environmental and Social Safeguards & EIA Process



Islamic Development Bank Group

Est. 1975
As the OIC's
Dev. Financing
Institution

Over 1100 staff
distributed across
entities & regional
offices

A Unique Model
of South-South
Cooperation

Membership of
57 Countries
Spread over 4
Continents

HQ and
11 Regional
Hubs



AAA rating by all
three rating
agencies

IsDB Group Member Institutions



1975

- Public Sector Financing
- PPP
- Capacity Development and Technical Cooperation
- Reverse Linkages (South-South Coop)
- Scholarships

Islamic Finance and
Economics Research
and Training



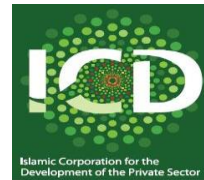
1981

Islamic
Insurance for
Export Credit



1994

Private Sector
Financing and
Advisory



1999

Islamic Trade
Finance



2008

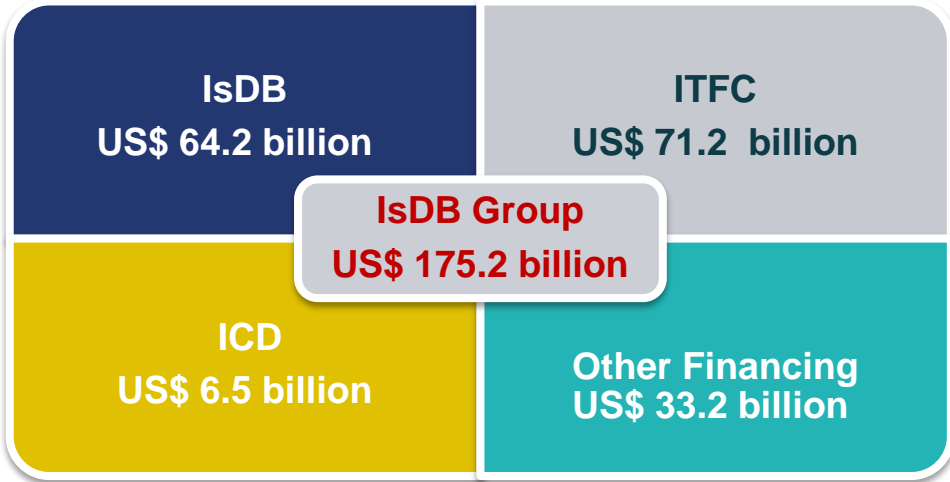
Poverty
Alleviation Fund



2015



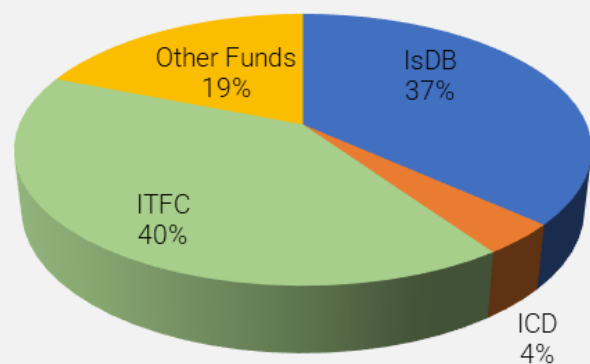
IsDB Group Products and Services



IsDB Group Operations

| Amount in US\$ million | Source | 2019 | 2020 | 2021 | 2022 | 2023 | Total** | % |
|---------------------------|--------|---------|---------|---------|----------|---------|-----------|-------|
| IsDBG Total Net Approvals | IsDBG | 7.734,4 | 6.842,8 | 8.869,7 | 10.453,5 | 5.048,2 | 175.235,3 | 100,0 |
| IsDB | IsDBG | 1.811,1 | 1.872,7 | 2.193,1 | 3.112,3 | 1.168,1 | 64.243,8 | 36,7 |
| ICD | IsDBG | 147,5 | 306,6 | 243,6 | 525,8 | 160,1 | 6.548,6 | 3,7 |
| ITFC | IsDBG | 5.774,7 | 4.661,6 | 6.424,7 | 6.812,5 | 3.716,9 | 71.207,4 | 40,6 |
| Other Funds | IsDBG | 1,0 | 1,9 | 8,4 | 2,9 | 3,0 | 33.235,5 | 19,0 |

Fig. 1: IsDBG Approvals 1975 - 2023



IsDB Group Operations by Sector (US\$ million)

| Amount in US\$ million | 2019 | 2020 | 2021 | 2022 | 2023 | Total | % |
|------------------------------------|---------|---------|---------|---------|---------|----------|------|
| Agriculture | 664,8 | 926,1 | 1.992,9 | 2.658,4 | 896,8 | 22.333,4 | 12,7 |
| Education | 107,6 | 76,4 | 254,3 | 166,1 | 45,0 | 5.565,3 | 3,2 |
| Energy | 4.436,4 | 3.374,0 | 4.124,2 | 4.164,8 | 2.236,4 | 71.866,3 | 41,0 |
| Finance | 751,8 | 874,1 | 863,6 | 1.325,0 | 907,9 | 15.590,7 | 8,9 |
| Health | 573,8 | 689,9 | 257,6 | 421,2 | 399,4 | 6.507,3 | 3,7 |
| Industry & mining | 175,3 | 167,0 | 73,3 | 130,0 | 110,7 | 24.571,0 | 14,0 |
| Information & communications | 39,7 | 0,7 | 5,5 | 0,6 | - | 990,5 | 0,6 |
| Public administration | 290,0 | 299,4 | 172,4 | 292,1 | 45,0 | 1.689,5 | 1,0 |
| Real estate | - | - | 5,8 | 25,0 | 21,3 | 2.990,8 | 1,7 |
| Trade | 100,7 | 0,2 | 1,2 | 0,5 | 0,2 | 463,4 | 0,3 |
| Transportation | 465,5 | 415,6 | 764,7 | 1.205,7 | 383,8 | 14.554,1 | 8,3 |
| Water, sanitation & urban services | 128,8 | 19,4 | 354,9 | 64,2 | 1,5 | 8.113,0 | 4,6 |

IsDB Group Development Partners

Arab Coordination Group



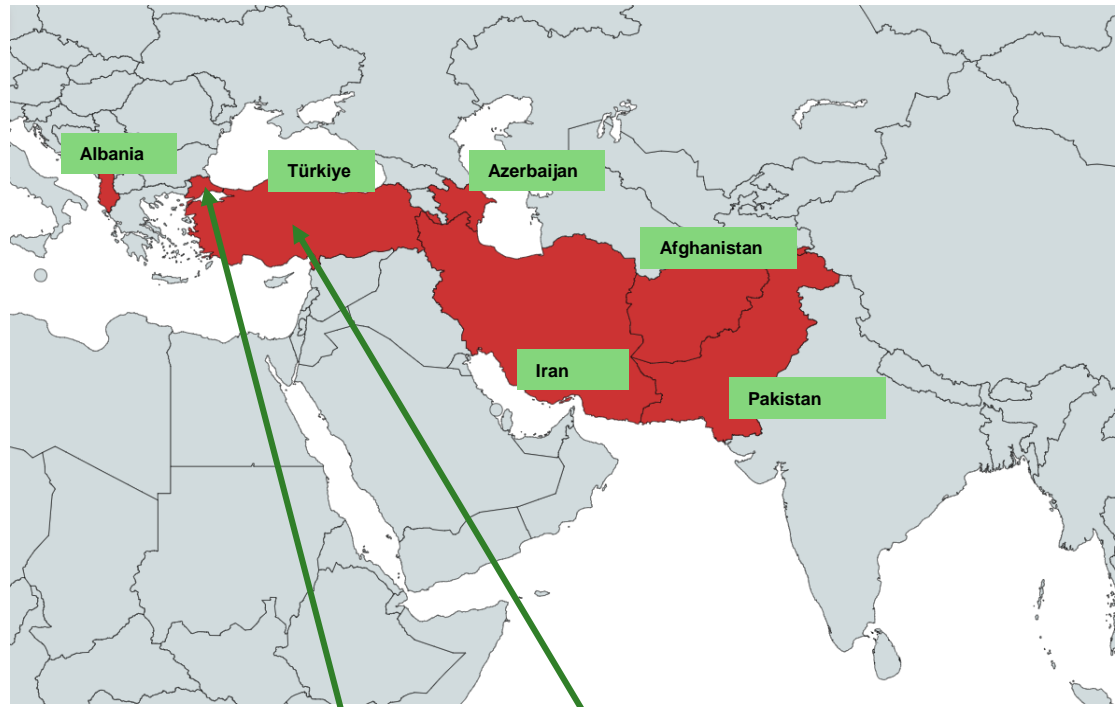
MDBs and International Organizations



Bilateral and Other Organizations



RH Türkiye

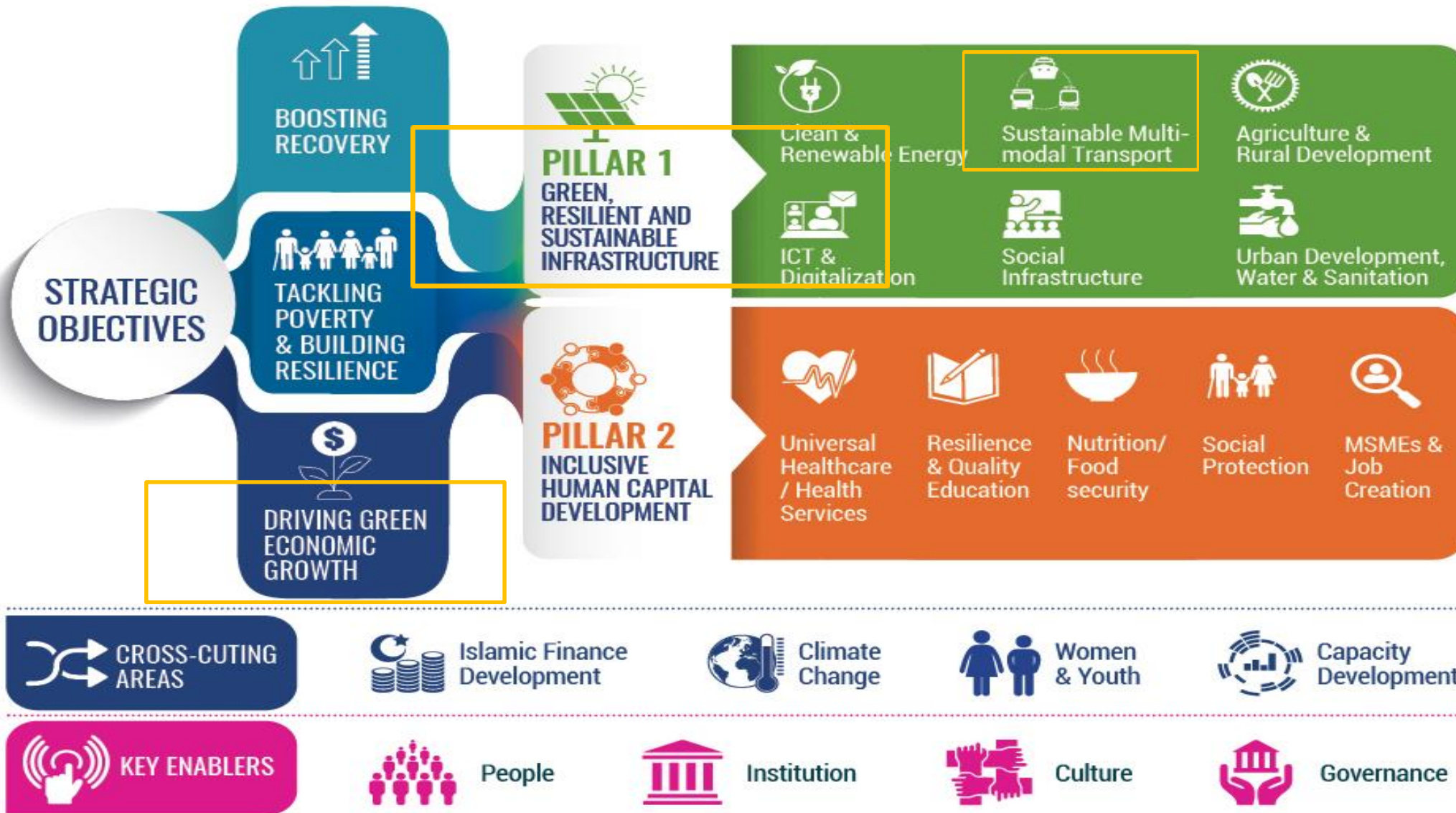


| | |
|------------------------|---------------------------|
| Istanbul office | Ankara main office |
| ICIEC, ICD, ITFC | IsDB |

Regional Hub of Türkiye manages 03 of the largest IsDB Group Portfolios out of 57 IsDB Members States



IsDB Group Realigned Strategy (2023 – 2025)



Transport Sector Policy



TRANSPORT SECTOR POLICY

Sustainable Transport for Inclusion
and Prosperity

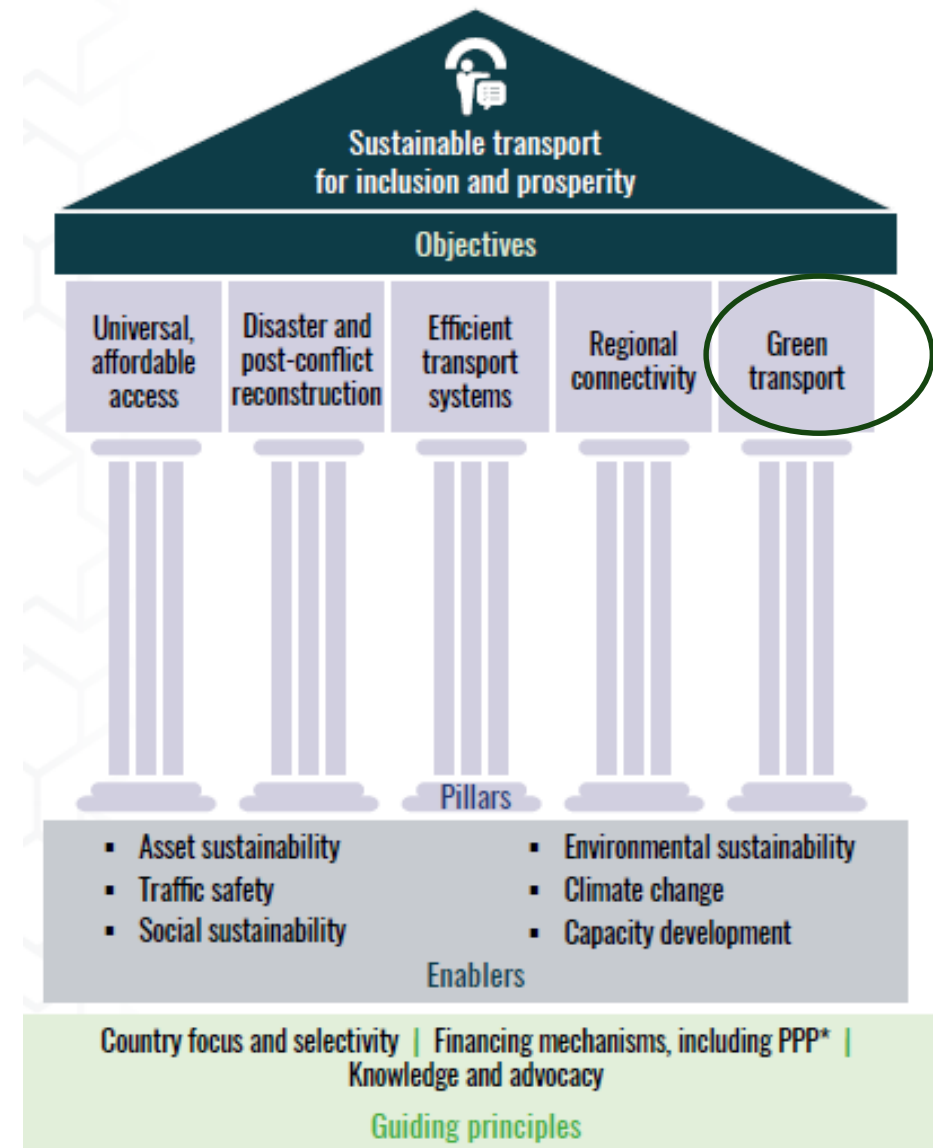


Economic Infrastructure Division
Economic and Social Infrastructure Department
December 2018

- The theme of this policy, '**Sustainable transport for inclusion and prosperity**', reflects the importance of sustainability in transport-sector interventions while focusing on the objectives of
 - (i) developing transport solutions that contribute to human inclusion and
 - (ii) improving the performance of transport solutions that contribute to population prosperity.
- This policy is intended to focus IsDB's future transport operations on addressing the priority transport needs of Member Countries and to align operations to support the implementation of the transport-related SDGs.

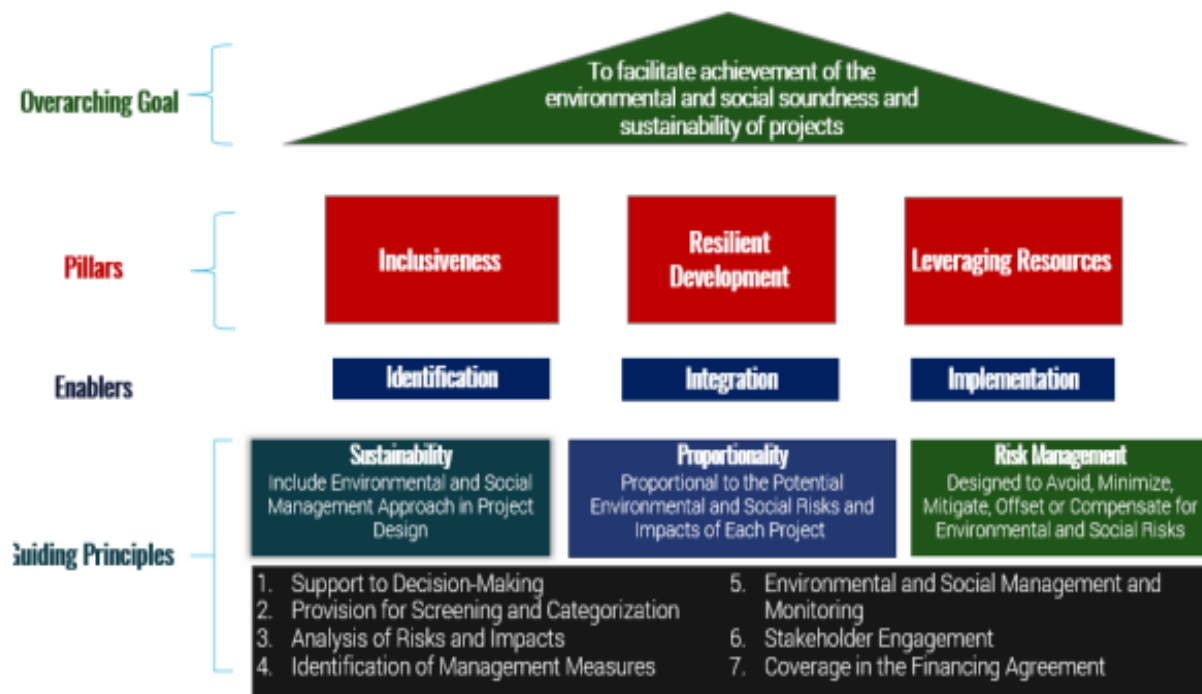
Framework for the Transport Sector Policy

- **The policy pillar of green transport** will assist Member Countries to reshape their transport systems to reduce adverse environmental impacts such as
 - **urban congestion,**
 - **air pollution, noise pollution and**
 - **CO2 emissions.**
- This will enable transition to **clean and low-carbon types of transport** with a view to building economic prosperity that is environmentally sustainable.
- IsDB will apply environmentally friendly approaches to the design of transport projects and provide, on request, support for the preparation and implementation of **environmental safeguards.**



ENVIRONMENTAL AND SOCIAL SAFEGUARDS POLICY

- IsDB's ESSP is considered as an important tool for enhanced development effectiveness to achieve:
 - 1- the environmental and social soundness and
 - 2- sustainability of IsDB-financed projects.
- The ESSP demonstrates institutional values and commitment to:
 - Address **environmental and social risks** and impacts in a structured operational framework across the project cycle,
 - Ensure environmental and social soundness and **sustainability of investments**,
 - Support integration of environmental and social aspects into **the decision-making process**, and
 - Public consultation** and disclosure of information.



Project Screening and Categorization

- In order to identify the potential environmental and social risks and impacts of each Project, the IsDB screens and categorizes each Project as follows:
- Category A: likely to have significant adverse environmental and social impacts that are irreversible, cumulative, diverse. The IsDB requires the Client to conduct a comprehensive environmental and social impact assessment (ESIA)
- Category B: it has a limited number of potentially adverse environmental and social impacts; The IsDB requires the Client to conduct an initial review of the environmental and social risks and impacts of the Project.
- Category C: likely to have minimal or no adverse environmental or social impacts. The IsDB does not require an environmental and social assessment but does require the Client to prepare an analysis of the environmental and social implications of the Project.
- Category FI: if the financing structure involves the provision of funds or a line of financing to or through a financial intermediary (FI) for the Project.

Other Studies and Reports



Big Cities – Big Challenges

Sustainable Urban Transport across
Major Middle East and North African Cities

IDB/GIZ Cooperation on Sustainable Transport – Milestone Report

Published by the Islamic Development Bank (IDB)
and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

On behalf of:

Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety
 of the Federal Republic of Germany



giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

On behalf of:

Federal Ministry for Economic Cooperation and Development



Low-carbon Transport for Development

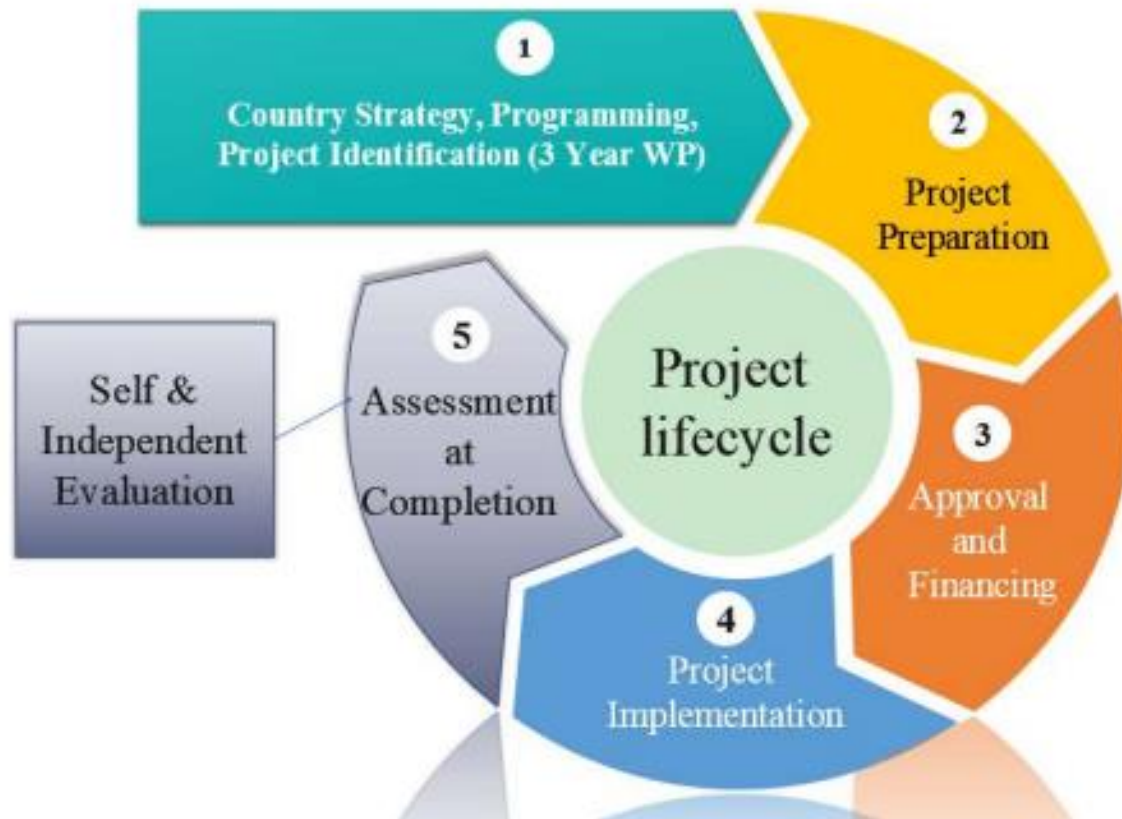
Trends and
Recommendations for
Islamic Development Bank
Member Countries



TRANSPORT, CLIMATE ACTION AND SUSTAINABLE DEVELOPMENT: SYNERGIES ACROSS NDCs AND VNRs IN IsDB MEMBER COUNTRIES



Project Cycle



- 1. Relevance to MCPS+ Project Preparation,** Country Development Plan and Strategies and SDGs are reviewed for Environmental and Social Impacts
- 2. Appraisal/Due Dilligence:** Bank assesses the economical technical, institutional, environmental and social aspects of the projects
- IsDB targets not only activities and outputs but also the outcome and **the development impacts** of the projects.
- Monitors the implementation-** Site visits, progress reports, Project Implementation Assesment and Support Report-PIASR
- Assesses the Project-** Project Completion Report, lessons learnt, Evaluation and Independent Evaluation

Results Framework and Monitoring

Electric Express Train Project, Arab Republic of Egypt

| IMPACT | | | |
|--|---|---|---|
| To contribute to the achievement of Egypt's socio-economic development objectives in providing access to safe, affordable, accessible, and sustainable transport system for all. | | | |
| OUTCOME (BY 2030) | | | |
| Statement | Result Indicators | Means of Verification | Risks/Assumptions |
| Increase the capacity and improve the safety, efficiency, and environmental friendliness of the rail system | #1: Number of people with improved access to transportation services. Baseline: 0 / Target: 25 million people per year (CSI – 6000; SDG 9.1.2) #2: Decrease in travel time within the corridor (percent). Baseline: 0 / Target: around 50% #3: Volume of cargo transported increased due to improved transportation. Baseline: 0 / Target: 1.7 million tons/year (SDG 9.1.2) #4: GHG emissions reduced (tons, CO2 equivalent) – (CSI-5600) Baseline: 0 / Target: 250,000-ton CO2e per year #5: Number of people employed. Baseline: 0 / Target: 2,000 people (>30% women) (CSI-2000) Baseline: 0 / Target: 40,000 people (during construction) | MOT annual performance report NAT annual and periods operation reports | <ul style="list-style-type: none"> - GOE continuous implementation of the Transport sector program - Required funding ensured for EETP - Adequacy of trained and experience staff to manage the operations as designed - Quality, frequency, and timeliness of O&M to ensure sustainability - Beneficiary access and affordability to EET's fare ensured |
| OUTPUTS | | | |
| Statement | Result Indicators | Means of Verification | Risks/Assumptions |
| Output-1: High quality, green & resilient railway infrastructure developed | 1.1 Length of railway-track constructed (km). Target: 660 km (CSI 6300). 1.2 Train Stations constructed with relevant structures (stations). Target: 21 stations | Progress reports of PMU/PMC PIASR of IsDB PCR of the NAT | <ul style="list-style-type: none"> - Project stakeholders fulfil their respective obligations on time and effective communication between them - Procurement & Disbursement are done timely and effectively - Compliance to ESMP and EOP/RAP |
| Output-2: Modern, energy efficient trains supplied | 2.1 Number of trains supplied, installed and operational. Target: 58 trains (44 for passengers and 14 for freights) | | |
| Output-3: EA/Operator trained and capacity built | 3.1 Number of staff trained under the overseas based TOT program. Target: 40 people (CSI-9000) | | |
| ACTIVITIES | | | INPUTS |
| Output-1 | 1.1 Selection of apt and reputable firms for preparation of detailed design of the project, execution of the civil works, procurement and execution of goods and works, installation of equipment. 1.2 Selection of competent consultancy firm(s) for project management, design review, supervision | | <u>Total Cost: EUR 6,407 million</u> IsDB: EUR 318 million Co-financiers: EUR 2,240 million GOE: EUR 3,849 million |
| Output-2 | 2.1 Procurement of Signaling, Telecom and Safety related equipment, installation, & commissioning 2.2 Supply of EET trains (passenger and freight locomotives), installation, testing & commissioning | | |
| Output-3 | 3.1 Preparation of detailed training and capacity development plan; and Preparing Training Manuals and SOPs 3.2 Undertaking relevant trainings | | |
| Support for Project Implementation | <ul style="list-style-type: none"> - Functioning PMU and PIU within the NAT supported by PMC, regular reporting (physical and financial) - Periodic supervision and MTR assessment by the IsDB; submission of Project Completion Report by EA - Annual and end project financial audit | | |

THANK YOU

<https://www.isdb.org/hub/turkey>

www.isdb.org

<https://www.isdb.org/publications>

