

# Progress Report (2014-2015) of the MDB Working Group on Sustainable Transport

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This is a joint document authored by staff at the African Development Bank (AfDB), Asian Development Bank (ADB), CAF – Development Bank of Latin America (CAF), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IADB), Islamic Development Bank (IsDB) and the World Bank (WB). The views expressed herein do not necessarily represent the views of these institutions, their Board of Directors, Management, or staff, and may be preliminary in nature. In making any designation of or reference to a particular country, territory or geographic area in this document, these institutions do not intend to make any judgments as to the legal or other status of any territory or area.

In this publication, “\$” refers to US dollars, unless otherwise stated.

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## EXECUTIVE SUMMARY

1. In the third year of the Multilateral Development Banks'<sup>1</sup> (MDBs) Joint Statement of 2012, our eight MDBs are on target to meet the goal of the Commitment to Sustainable Transport (hereafter the Rio+20 Commitment) to provide more than \$175 billion of loans and grants for transport in developing countries over the coming decade (2012-2022). Collectively, in 2014, about \$20 billion of new funding for transport projects was added to the \$20 billion approved in the first year of our Commitment (2012) and \$25 billion approved in 2013.
2. This \$20 billion in funding comprised more than 193 approvals,<sup>2</sup> including:
  - 103 for roads
  - 32 for urban transport
  - 14 for rail
  - 9 for airports
  - 6 for inland waterway and maritime projects
  - 29 for other transport projects
3. In addition, more than 192 technical assistance (TA) projects were approved to support policy development, research and capacity building.
4. Increasingly, our MDBs are supporting more sustainable types of transport projects—transport that is accessible, affordable, efficient, financially sustainable, environmentally friendly, and safe. Under a common reporting framework, our institutions have continued to make progress in assessing the sustainability of our transport lending in economic, social, and environmental terms.
5. In 2014, all MDBs completed an assessment of the sustainability of our entire annual transport lending, up from four MDBs in the year before. ADB used the Sustainability

Appraisal Rating Framework (STAR) while six MDBs used a modified version of STAR. WB used its own internal methodology. For MDBs that applied STAR or a modified STAR, a common four-point scale was used although the results are not yet fully comparable. Further efforts will be made to improve the comparability of ratings between the MDBs in the future.

6. The MDB Working Group on Sustainable Transport (WGST) identified quantitative indicators of project outputs and outcomes that can be used to complement the sustainability assessment. In this regard, relevant output and outcome indicators with readily available data are reported in the “In numbers” feature of each MDB, e.g. kilometer (km) of roads built or upgraded, km of railways built or upgraded, volume of transport mitigation investment, and percentage of road projects with road safety components. Discussions are ongoing to further harmonize reporting on indicators.
7. The year 2015 marks several important milestones in the international dialogue on development which are directly relevant to sustainable transport. These include completion of the 2030 Agenda for Sustainable Development and adoption of the new Sustainable Development Goals (SDGs), the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change, and the Second Global Ministerial Conference on Road Safety to mark the mid-point of the United Nations Decade of Action for Road Safety.
8. The newly approved SDGs are expected to raise the attention given to addressing the different dimensions of sustainable transport, which will be conducive to the role of MDB-financed sustainable transport projects and programs. Our MDBs expect to take part in the process of deciding the indicators to be used for tracking progress on meeting the SDG targets and will make efforts to incorporate the indicators in our work.

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<sup>1</sup> African Development Bank (AfDB), Asian Development Bank (ADB), CAF-Development Bank of Latin America (CAF), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IADB), Islamic Development Bank (IsDB), and World Bank (WB).

<sup>2</sup> For more details, refer to Annex: Lists of projects approved in 2014 by each MDB.

# 1 BACKGROUND AND INTRODUCTION

## 1.1 The Rio+20 Commitment to Sustainable Transport

9. In June 2012, at the Rio+20 United Nations (UN) Conference on Sustainable Development (hereafter Rio+20), our eight Multilateral Development Banks (MDBs) delivered a joint statement making a *Commitment to Sustainable Transport* (hereafter the Rio+20 Commitment). The aim was to draw attention to the critical role sustainable transport plays as an enabler of sustainable development, and make known our intentions to support sustainable transport in developing countries in the future.
10. Building on our collective history of support for transport, the commitment outlined our expectation to provide more than \$175 billion of loans and grants for transport in developing countries over the coming decade (2012-2022). Increasingly, this funding will go to supporting sustainable transport – transport that is accessible, affordable, efficient, financially sustainable, environmentally friendly, and safe.
11. We also committed to reporting annually on our sustainable transport-related lending, and to develop a common reporting framework for this purpose.

## 1.2 Defining sustainable transport

12. Making transport more sustainable requires addressing the dual challenge of ensuring better access to markets and services while improving economic, social and environmental sustainability of transport. While each MDB has its own specific definition of sustainability, generally, when assessing transport sustainability, we all consider the following:

13. **Environmental sustainability** concerns the environmental impacts of a project, including transport emissions and pollution, impact on the natural and built environment, minimizing waste of natural resources, together with resilience and adaptation to climate effects.
14. **Economic sustainability** concerns both the expected economic impacts over the lifecycle of a project, and the efficiency with which economic resources are used to deliver them.
15. **Social sustainability** describes the extent to which a project will benefit the poor, vulnerable and marginalized; contribute to creating safe and socially inclusive communities; and, minimize adverse impacts, such as resettlement.
16. Finally, **risk to sustainability** refers to the risk that expected project benefits may not be realized or maintained, due to problems of political or techno-economic feasibility, lack of financing, or uncertainty in the appraisal.
17. Under our commitment, projects are increasingly being assessed for their sustainability under these dimensions. While the above reflects our common working definitions, it is important to note that each MDB has its own internal definition and priorities, as well as its own approach to assessing sustainability.

## 1.3 Where are we three years after Rio+20?

18. Over the past three years, we have expanded our joint work to implement the Rio+20 Commitment. Representatives from each MDB have convened periodically to share best practice information, develop evaluation tools to measure sustainability, and progress the framework for common reporting.
19. While methodologies are still being refined, each MDB has improved its approach to evaluating and reporting on sustainability. This third progress report is the first time

that almost all MDBs have utilized a common reporting principle.

20. Progress has also been made on introducing common indicators for sharing and comparing the information we report on our annual transport project approvals. We discuss this in more detail in section 3.1.

#### 1.4 What are the major trends facing the MDBs?

21. Through the Rio+20 Commitment, we sought to highlight the importance of transport in sustainable development. The United Nations has recently introduced a 2030 Agenda for Sustainable Development (hereafter 2030 Agenda). This agenda, including 17 SDGs and 169 associated targets, was launched at the UN Sustainable Development Summit in September 2015, after being elaborated through informal consultations of the UN General Assembly. The SDGs provide a comprehensive new vision for sustainable development. Partly through our efforts and support, and those of other organizations advocating sustainable transport, many of the SDGs directly or indirectly include transport targets. These include targets for affordable rural access in rural and urban areas, quality infrastructure, road safety, sustainable urban transport, vehicle emissions and environmental impacts, fuel efficiency, reforming fossil fuel subsidies, and climate change mitigation and adaptation.
22. The Second Global High-Level Conference on Road Safety held in Brazil on 18 to 19 November 2015 has provided an important opportunity to gather international support for addressing the global road safety problem. Low- and middle-income countries (LMICs) account for 90% of all traffic fatalities and injuries. Our MDBs are committed to providing support for implementation of road safety proposals arising from the conference.
23. Road safety has become a major issue for developing economies. The impact of road

fatalities, measured in years of life lost due to premature deaths, surpasses that of HIV, lung cancer, tuberculosis and malaria, all combined. Current trends suggest that by 2030 road traffic deaths will become the seventh leading cause of death unless urgent action is taken. MDB activities on road safety are discussed further in section 2.

24. Urbanization is another defining trend. By 2050, it is projected that almost two-thirds of the global population will live in cities. This trend is influencing the nature of MDB transport lending, with substantial financing being provided for urban transport projects. Urban transport plays an important role in providing access to markets, jobs and services. Urban road safety is also a critical and growing issue.

#### 1.5 What is this report about?

25. This is the third progress report prepared by the MDB Working Group on Sustainable Transport (WGST). It presents progress made by our eight MDBs in the third year of implementing the Rio+20 Commitment.
26. Our work is ongoing. As such, the report provides a snapshot of developments to date. Our institutions will continue to enhance aspects of monitoring and reporting in the coming years, drawing upon the lessons from this and the two earlier progress reports.
27. The transport work of our eight MDBs is wide-ranging and diverse. As such, this report does not fully capture all activities conducted by our MDBs in support of the Rio+20 Commitment. Rather, it serves as a summary of the activities of each MDB, and the eight MDBs collectively in support of sustainable transport.
28. The report has been developed by staff of all eight MDBs. It also benefited from inputs from the Partnership on Sustainable, Low Carbon Transport (SLoCaT) in its capacity as observer.

## 2 SPECIAL FEATURE: SUPPORTING THE DECADE OF ACTION FOR ROAD SAFETY

29. Road safety is one of the most serious development issues facing the world today. The World Health Organization's 2013 Global Status Report on Road Safety has identified road injury as a major international health crisis: the eighth leading cause of deaths worldwide and the leading cause of death of those aged 15-29 years.
30. Road traffic injuries also result in considerable financial costs, particularly to developing economies. It is estimated that they cost LMICs 1–2% of their gross national product, equivalent to over \$100 billion a year. The rate of road traffic injuries in LMICs is also increasing, which is driving the global increase in deaths and injuries. In LMICs, the rate is about twice that in high-income countries. Current trends suggest that it will become the seventh leading cause of death by 2030, with the disparity between high- and low-income countries further accentuated.
31. Road traffic injuries are largely preventable and many countries have had dramatic successes in preventing road traffic injuries using effective interventions. For example, Australia, Canada, France, the Netherlands, Sweden, and the United Kingdom have achieved steady declines in road traffic death rates through coordinated, multi-sector responses to the problem. Such responses involve implementation of a number of proven measures that address not only the safety of the road user, but also vehicle safety, the road environment, institutional capacity and post-crash care. However, most of the existing road safety research and measures have been done in high-income countries that have different situations to LMICs. Interventions for developing countries therefore need to be adapted in order to be effective.

32. The UN's recently approved 2030 Agenda highlighted the importance of addressing road safety by including it in two SDGs. In SDG 3 ("ensure healthy lives and promote well-being for all at all ages"), a global target was established to ensure that: "by 2020 halve global deaths and injuries from road traffic accidents" (Target 3.6). Similarly, in SDG 11, a global target was established to ascertain that: "by 2030, provide access to safe, affordable, accessible and sustainable transport for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons".

### 2.1 Supporting road safety in transport projects

33. Collectively and individually, MDBs have been scaling up support for road safety. This is reflected in increased loans and grants for road safety and expanded road safety interventions as well as institutional efforts including the creation of stronger country agencies. MDBs have been using a combination of technical assistance, enhanced safeguards and increased financing to improve the safety of road projects and support countries' efforts to strengthen their road safety programs.
34. Some of the notable road safety initiatives of the MDBs include the following. In the construction of the Kyabé-Singako road section in Chad, AfDB included a comprehensive road safety awareness program targeting road users, law enforcers and institutions helping in information dissemination. ADB supported the construction of district roads in Madhya Pradesh, India with road safety features incorporated with information technology-enabled crash response system. CAF provided sound and standardized data on various topics including road safety through its Observatory of Urban Mobility for 28 cities



in the Latin American region. EBRD fostered partnership with about 100 local civil society organizations in launching road safety campaigns in Moldova. The City of Warsaw will modernize municipal infrastructure including provision of better and safer roads with funding from EIB. IADB assisted Paraguay in improving rural connectivity by providing safe access to 1.3 million people living in the country's poorest rural areas. IADB included road safety components such as measures for drivers to slow down to avert accidents in high-risk areas. IsDB funded the construction of Sanam-Tebaram Road in Niger, incorporating road safety components to ensure safer access from the city of Niamey to the Trans-Sahara route. WB funded the National and Regional Roads Rehabilitation Project in Macedonia with the complementary goal of strengthening road safety management by bringing together relevant government agencies to work toward improved management of the country's capacity for road safety.

35. All MDBs require safety audits for road projects that they finance. However, MDB road projects do not always include road safety support that goes beyond road safety audit. Therefore, further work is still necessary to fully mainstream road safety in MDB-financed projects. This could be achieved through systematic consideration of road safety, such as including it as part of the economic appraisal and by considering road safety in MDBs' country programs and strategies.

## 2.2 Supporting road safety investments

36. Our institutions launched the MDB Road Safety Initiative on 19 April 2011 to scale up support for the UN Decade of Action for Road Safety, 2011-2020 and to develop a shared program of engagement in our client countries. In this regard, the MDBs developed the Road Safety Guidelines in

2014.<sup>3</sup> The guidelines were designed to promote a more systematic approach to road safety assessments of countries and projects while also allowing each MDB to apply its own policies and strategies for road safety.

37. The guidelines outline a simple two-stage approach to road safety. The first stage is to conduct an initial screening and the second stage is the assessment of the specific project. Road safety screening provides an overview, identifies road safety risks and appraises whether road safety assessment is needed, for example in (i) construction, rehabilitation or upgrading of interurban and urban roads, (ii) mass transit, public transport and interchange infrastructure (airports, border crossings, etc.), (iii) large infrastructure projects that generate significant traffic of pedestrians or vehicles such as hospitals, schools, universities, housing and industrial developments, etc., and, (iv) projects that generate transportation of people or those that require road works and create a risk for road users. In the assessment of the project, guidance is provided on which types of road safety analysis and interventions could be relevant for a given type of project, including elements from the five pillars of road safety, such as road safety management, infrastructure, safe vehicles, road user behavior, and post-crash care. The guidelines also include checklists for such assessments which can be used for missions and in terms of references.

## 2.3 Mobilizing finance for road safety

38. Although MDBs are increasing their financing of road safety investments, the total financing available from all sources, including governments and development partners, is vastly insufficient. Considerably more financing is needed to achieve the ambitious target of the UN

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<sup>3</sup> Available from: [http://publicaciones.caf.com/media/40517/1.\\_road\\_safety\\_guidelines.pdf](http://publicaciones.caf.com/media/40517/1._road_safety_guidelines.pdf)

Decade of Action and the SDGs related to road safety.

39. In 2013, our MDBs invested \$11 billion in road projects. Although this represents a small share of the total global investment in road infrastructure, and only a modest share of investment in developing countries, this is still a significant contribution and shows how MDBs play an important role in road safety. This is because we are the leading external source of funding of road investments in developing countries where the majority of road fatalities and injuries are taking place. These countries are rapidly upgrading and expanding their road networks to accommodate growing trade and mobility needs and this provides a significant opportunity to introduce improved design standards to address road safety concerns.
40. MDBs are well placed to assist developing countries to demonstrate the significant advantages, and economic and other benefits, of building road infrastructure following high road safety standards. MDBs can also help to leverage public and private sector funds to scale up road safety investment and accelerate knowledge transfer to help achieve the UN Decade of Action and SDG targets.

### 3 OUR APPROACH TO ASSESSING THE SUSTAINABILITY OF TRANSPORT SECTOR OPERATIONS

41. **Progress on a common framework.** The MDBs' Joint Statement at Rio+20 stated that: *"We recognize the need for a results-based approach to supporting sustainable transport. This will require reliable arrangements for measuring, monitoring, and reporting results at country, regional and global level. This equally applies to our institutions and we are committed to introducing annual reporting on our sustainable transport related lending and to developing common arrangements for this purpose. Together with 66 members of SLoCaT, we have initiated work on definitions, setting targets and choosing indicators for sustainable transport/mobility and assistance provided to support sustainable transport/mobility, with a view to finalizing these within 2012."*
42. Since it was established in 2013, the WGST has been working to deliver a common framework for assessing sustainability of transport sector operations in MDBs. Consistency in reporting is necessary to permit comparability as far as it is possible and accumulation of results across MDBs. This can contribute to the delivery of more sustainable transport projects through improved benchmarking and communication among the MDBs and stakeholders.
43. Following the Joint Statement, the MDBs agreed on an action plan for assessing the sustainability of each MDB's annual transport lending approvals with three phases between 2013 and 2021 (table 1). Our first progress report (2012-2013) and second progress report (2013-2014) confirmed that Phase 1 actions for the first two years of the Commitment have been completed, except for the development of,

and subsequent reporting on, an initial list of transport indicators which is ongoing.

44. This third progress report has made good progress on Phase 2 of the action plan. This has included further refinement of the framework for assessment of sustainability and adoption of a common reporting framework for the sustainability of annual transport lending.
45. **Refinement of assessment framework.** For the past two years, ADB has rated the sustainability of its approved transport projects using the Sustainable Transport Appraisal Rating (STAR) framework developed by ADB. STAR includes criteria to evaluate the social, economic, environmental, and risk sustainability of transport projects, and creates an aggregate sustainability score.<sup>4</sup> In 2015, ADB launched a web-based version of STAR (WEB-STAR) that makes it easier to use the STAR framework. WEB-STAR was used for the assessment of ADB's transport projects approved in 2014.

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<sup>4</sup> ADB (2014). Toward a Sustainability Appraisal Framework for Transport. Available at: <http://www.adb.org/publications/toward-sustainability-appraisal-framework-transport>

	PHASE 1 2013-2014	PHASE 2 2015-2016	PHASE 3 2017-2021
<b>Assessment Framework</b>	<p>WGST endorses initial assessment framework</p> <p>Assessment framework shared with Partnership on SLoCaT, UN, OECD and other partners to solicit comments and feedback</p>	<p>MDBs to prepare specific assessment guidelines or adopt common ones</p> <p>Refine further assessment framework</p>	<p>Refine further assessment guidelines</p> <p>Identify lessons learnt and good practices</p>
<b>Transport Projects Approved Annually</b>	<p>MDBs to report each year on annual project approvals under each dimension of sustainability</p> <p>On a voluntary basis, some MDBs to report aggregate-level sustainability assessments</p> <p>MDBs to also highlight how their work is catalyzing changes beyond their project approvals, vis-à-vis capacity building, demonstration projects, etc.</p>	<p>All MDBs to report composition and sustainability of projects approved on the basis of the common framework</p> <p>Aggregated results reported annually to public</p>	<p>Continued aggregation and reporting of results to the public</p> <p>Mid-term review of the Rio+20 Commitment (end 2017)</p>
<b>Project-level Assessments</b>	<p>MDBs to pilot-test project-level assessments under the framework using STAR or equivalent tools</p>	<p>MDBs to carry out project-level assessments on all new projects</p> <p>Post-completion assessments on selected projects</p>	<p>MDBs to carry out project-level assessments of all new projects</p> <p>Decide on scale and scope of assessment of completed projects</p>
<b>Sustainable Transport Indicators</b>	<p>MDBs to work on development of list of transport indicators</p>	<p>Common list of transport indicators agreed</p> <p>Good practice assessment methods identified</p> <p>Aggregated results reported for selected indicators</p>	<p>Further refinement of list of indicators and improvement of methods</p>

**Table 1** Action Plan on Sustainable Transport Assessment

46. In 2014, apart from ADB, six other MDBs used a form of the STAR framework for assessing the sustainability of their approved transport projects as shown in table 2. The STAR framework has 18 sub-criteria representing economic, poverty and social, environmental and risk to sustainability aspects. MDBs using a modified STAR framework considered all aspects of sustainability while using a reduced number of sub-criteria. Work is ongoing to share, compare and calibrate our scores to support further harmonization and comparability of results using STAR and modified STAR. WB continued to refine and expand its methodology for ensuring sustainability of its transport projects, aggregating internal requirements on sustainability and risk with

tracking on priority areas such as safety, greenhouse gas (GHG) accounting and gender.

47. **Adoption of a common framework.** For 2014 projects, the outputs of the sustainability assessments have been reported by the seven MDBs using the STAR or modified STAR framework on the following four-point scale: (i) less sustainable; (ii) marginally sustainable; (iii) moderately sustainable; and (iv) sustainable. Each MDB was responsible for making its own judgments on how it finally applies the four-point scale, with a view to ensuring the overall reported results provide a reliable picture of the sustainability of our respective annual project approvals, and to establish a

reliable baseline to enable the performance of each MDB to be tracked over time.

BANK	SUSTAINABILITY ASSESSMENT METHOD
ADB	STAR Framework
AfDB	Modified STAR Framework
CAF	Modified STAR Framework
EBRD	Modified STAR Framework
EIB	Modified STAR Framework
IADB	Modified STAR Framework
IsDB	Modified STAR Framework
WB	Internal methodology

**Table 2** Each MDB has adopted a methodology for assessing sustainability of transport projects

48. As each MDB has its own mission, internal processes and methods for project approvals and rating that have evolved over many years. The use of an identical assessment method following STAR or a modified version of STAR, and fully comparable technical methods for rating is not anticipated. Further work is expected in the coming year to examine the difference in the treatment of economic, social and environmental criteria used by each of our MDBs in their technical assessments of sustainability. Through this work, greater comparability in reporting is expected as well as a better understanding of differences predicated by the specific contexts in which our MDBs work.

49. **Progress on a common list of transport indicators.** The MDBs recognize that having a common set of quantifiable output and outcome indicators to report on is important to complement our ratings of sustainability, enrich the aggregating of results across MDBs, and strengthen links to respective corporate reporting. Table 3 sets out the common output indicators that have been endorsed by MDBs. An initial list of proposed outcome indicators are also shown. Output indicators relevant to each MDB's list of approved projects in 2014 are reported in Chapter 5 in their respective assessment of each MDB's progress on sustainable transport. Among the proposed outcome indicators, road safety and volume of lending invested in projects counting for climate finance are also reported by most MDBs. While

consistent reporting that draws on readily available data sources is also desired, some flexibility is needed to account for the individual nature of current projects and the composition of MDBs transport operations.

50. **Opportunity to align the new MDB indicators with the SDGs and targets.**

The SDGs provide a new imperative with which to align, and potentially revise, the MDBs' common indicators. The preliminary list of indicators proposed in October 2015 to support the SDGs by the United Nations Statistical Commission (UNSC) Inter-Agency and Expert Group on SDG Indicators provides good coverage of the economic, social and environmental dimensions of sustainable transport. The SDG indicator framework is expected to be finalized by early 2016. Once the SDG indicators have been decided, the MDBs may have to further refine our selection of common indicators for purposes of consistency with the SDG indicator framework.

### 3.1 Making it happen: Processes to improve consideration of sustainability in operations

51. **Sustainability improvement.** The type of transport sector projects has a significant bearing on overall sustainability assessments. For example, while road projects may rate highly in economic issues, they may perform less well in the environmental and social dimensions. On the other hand, urban transport projects may perform well in the economic, social and environmental dimensions but present significant risk due to complexity and challenges in ensuring operational sustainability.

52. The composition of each MDB's transport sector operations are, to a large extent, a product of the needs and conditions of the

client countries thus influencing how overall sustainability of the transport sector operations may be assessed. Nonetheless, the MDBs' focus on sustainability is leading to improvements in the quality of projects through: (i) better project selection and design; (ii) inclusion of complementary components to strengthen social and environmental outcomes; (iii) enhanced

sub-project design to strengthen resource efficiency and climate resilience; and (iv) mechanisms to ensure operational sustainability.

LEVEL	COMMON INDICATORS
Output	<ul style="list-style-type: none"> <li>• km of roads built or upgraded</li> <li>• km of railways built or upgraded</li> <li>• number of airports built or upgraded</li> <li>• number of ports built or upgraded</li> <li>• number of cities with upgraded public transport systems</li> <li>• units of train rolling stock purchased or rehabilitated (traction/non-traction)</li> <li>• number of shipping vessels purchased or rehabilitated</li> </ul>
Outcome	<ul style="list-style-type: none"> <li>• lending volume invested in projects counting for climate finance (as per MDB joint definition)</li> <li>• jobs created during construction and operation</li> <li>• economic internal rate of return of transport projects</li> <li>• % (or number) of road projects incorporating road safety audit and other road safety initiatives</li> <li>• % (or number) of road projects with gender indicators</li> </ul>

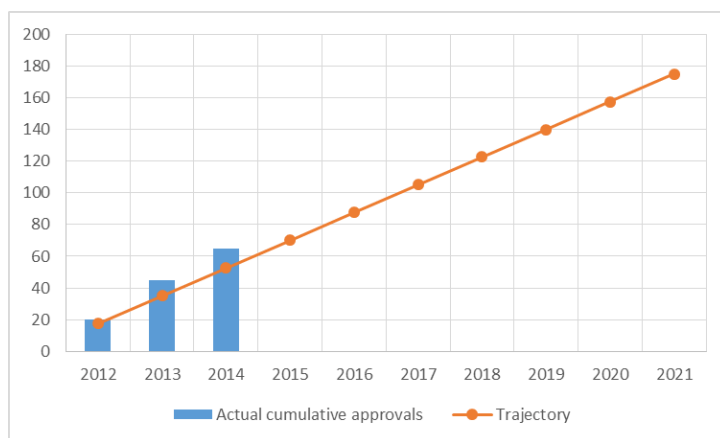
**Table 3** List of Common Indicators

## 4 ASSESSMENT OF OUR COLLECTIVE PROGRESS ON SUSTAINABLE TRANSPORT IN 2014

### 4.1 Overall assessment

#### Investing in sustainable transport projects (loans and grants)

53. Across our eight MDBs, we approved more than \$20 billion for transport in 2014. This brings cumulative MDB transport financing approvals during the first three years of the Rio+20 Commitment to over \$65 billion, which is on track for meeting our target of \$175 billion over 10 years (2012-2022).



**Figure 1** Progress in the first 3 years of the Rio+20 Commitment

54. The 2014 transport approvals financed 193 transport projects in 83 countries:

- 103 road projects
- 9 airport projects
- 14 rail projects
- 6 port and marine projects
- 32 urban transport projects
- 29 other transport projects

55. Based on our common framework for assessing sustainability, seven MDBs used STAR or modified STAR to assess the sustainability of projects approved in 2014. For these MDBs, about 85% of approved projects were rated sustainable or moderately sustainable, with the remaining 15% rated marginally or less sustainable. The lower rated projects tended to perform

well in one dimension (e.g. economic) but less well in other aspects. WB, using its own internal methodology assessed their 49 projects as sustainable.

56. The following features are highlighted for MDB transport projects approved in 2014:

- The majority of funding was for road projects. These road projects are important to enable trade and economic development, and provide people with access to opportunities and services. These projects are mainly for non-urban roads, including regional, national, provincial and rural.
- Many of the approved road projects include support for road safety, climate proofing and road asset management. In many cases, road safety audits are to be undertaken as part of detailed design, but also during construction and after opening, and often TA is provided to help build local road safety capacity. Climate resilience is increasingly being considered when preparing road projects, with more road projects incorporating climate proofing in their design. Gender considerations are also being addressed including creation of opportunities for improved income earning opportunities for women. Road asset management support typically involves strengthening road asset management systems and helping to make greater use of these systems in the programming of maintenance works.
- Urban transport projects include metro rail, light rail transit and bus rapid transit projects, along with improvements in facilities for pedestrians and non-motorized modes. Several MDBs support TA and research in non-motorized transport and travel demand management.
- The focus of approved railway projects is on improving national and regional railway capacity and upgrading railway performance to meet the growing needs of freight customers and passengers.
- The approved port and airport projects involved expansion of

capacity to serve the growing needs of trade and tourism.

## 4.2 Sustainability assessment

57. Key aspects of the economic, social, and environmental sustainability of MDB-financed transport projects approved in 2014 are described below.

### Economic sustainability: Making transport more efficient

58. **Facilitating economic growth and trade.** Improved economic efficiency and access to markets is being facilitated by marine, road, and rail infrastructure investments supplemented with technical, policy, capacity enhancement and knowledge development support provided by the MDBs. All MDB-financed transport projects help to reduce costs and travel time and increase the reliability of transport services. Our projects that enhance cross-border trade reduce transport costs across regional transport networks and enhance multi-modal connectivity. For example, AfDB approved financing of the Mano River project to upgrade road connectivity in three neighboring countries of West Africa. ADB financed seven projects that improved cross-border trade. CAF supported port development and enhancement in Argentina to reduce transport costs. In the port sector, the EBRD extended loans to finance the development of a new grain transshipment terminal in the Port of Odessa to expand Ukraine's grain export capacity. IADB financed road improvements to enhance national logistics and trade in Brazil, Bolivia and Paraguay; as well as a project to improve regional integration in Nicaragua. In Southern Africa, the WB supported a development corridor to improve Malawi's connectivity with ports in Tanzania while improving safety and combating the spread of HIV/AIDS.

### Social sustainability: Making transport more inclusive

59. **Improving access to basic services.** Transport infrastructure and services facilitate access and mobility so that women and men can participate in

economic opportunities, obtain services and exercise their democratic rights, thus promoting good governance and stability. MDBs' lending for sustainable transport is helping to improve access for women and vulnerable groups that are disproportionately poor. Examples include ADB projects to provide new rapid transit systems in Hanoi and Ho Chi Minh City, Viet Nam that will improve accessibility while reducing GHG emissions. Similarly, EBRD made a strong commitment to sustainable transport with an investment in efficient urban rail in Izmir, Turkey. The WB is supporting urban transport in cities across the PRC, Viet Nam, Colombia, the Philippines, and Tanzania; while CAF is supporting several sustainable transport programs in different cities such as Lima and Montevideo. Many road projects are focused on improving rural access, including IADB's support for rural road rehabilitation and maintenance, EIB's support for rural bridges program in Papua New Guinea, ADB's rural road improvement project in Cambodia, and IsDB's inclusive and sustainable development of rural and marginalized communities in Azerbaijan, Burkina Faso, Cameroon, Chad, Uganda, Benin, and Niger.

60. **Empowering women and vulnerable groups.** MDB transport projects are being designed to address the needs of women. Improvements in rural and urban access usually have significant benefits for women and their families. At the design stage, urban transport projects also provide for the needs of people with disabilities and other aspects of universal access to transport. For example, in the Kyrgyz Republic, EBRD's financing of new urban buses will promote employment opportunities for women in the city's urban transport sector. IADB has included results indicators for gender, such as quality of service and safety perception, in its support for the Lima metro, which is being co-financed with other MDBs. In addition to its work on individual projects, the WB has been working with the US Department of Transport and APEC to raise the profile of Women in Transport globally.



61. **Improving transport safety.** In addition to financing increasing investment in road safety (chapter 2), all MDBs included support for road safety awareness events and training in developing countries, with a view to improving understanding of road safety problems and approaches. In addition, the EIB also financed safety upgrades of airports, particularly in sub-Saharan Africa (Malawi and Liberia).

### **Environmental sustainability: Making transport more green**

62. **Reducing environmental impacts of transport.** Alongside assisting in improving access and transport efficiency, our MDBs are taking steps to reduce GHG emissions, air pollution, and noise pollution from transport and promote energy efficiency in transport. For instance, access and environmental sustainability are being improved by projects helping to shift traffic from less sustainable to more sustainable modes. For example, an ADB-financed inland waterway development in People's Republic of China (PRC) will provide a cleaner, greener transport option for freight. Also, the ADB-financed bus rapid transit (BRT) investment within the Jiangxi Sustainable Urban Transport, Jian, PRC featured a lifecycle assessment of GHG emission impacts (as do other ADB projects). IADB's loan for Lima metro will finance construction of a 35-kilometer (km) underground section. EIB's support for the Bosphorus rail tunnel in Turkey will link existing commuter lines on the European and Asian sides of Istanbul. The project will reduce travel time and promote the use of public transport. EBRD is supporting green logistics projects such as construction of a modern intermodal logistics terminal in Tbilisi. It is also considering urban transport projects to facilitate the introduction of electric vehicles (EVs) and alternative energy-powered vehicles. The WB is supporting a TA project on green transport including EV development in Bhutan and is piloting a new methodology for measuring the GHG emissions impact of projects. This is being used in developing a dedicated freight rail corridor in India, estimated to reduce GHG emissions by half over the next 15 years.

63. **Supporting climate resilience.** Climate resilience continues to be an important consideration in preparing MDB transport lending. In almost every project approved, climate resilience is assessed, taking into account the need for year-round transport services. ADB continues to screen all projects for climate risks and vulnerabilities. ADB's new Solomon Islands and Fiji transport projects focused entirely on climate resilient infrastructure. Since 1 July 2014, all International Development Association (IDA) projects of the WB are subject to climate change and disaster screening. Climate resilience is a key dimension of the STAR framework used by most MDBs for sustainability rating.

## 5 ASSESSMENT OF EACH MDB'S PROGRESS ON SUSTAINABLE TRANSPORT

### 5.1 African Development Bank

#### Operational context and strategic approach

64. With the successful relocation of its headquarters back to Cote D'Ivoire, the year 2014 was a significant one for AfDB. The transport sector continued to be a core priority for the AfDB in 2014, given the growing needs for national, regional and international transport systems on the African continent. AfDB continued to pursue the delivery of more sustainable transport systems.

65. Special features in 2014 included AfDB's initiatives to mainstream gender-sensitive project designs, supporting the use of new financial tools to further empower member countries, and embarking on large-scale projects and regional integration in fragile states with a focus on increased social inclusion.

#### Highlights from 2014

66. **Empowering member countries against crisis.** 2014 was a year of special challenges for the African continent, which is reflected in the role that transport infrastructure played and the required systems to be developed. One of the main challenges was the outbreak of Ebola, which severely affected Guinea, Liberia, and Sierra Leone; and led to trade and travel restrictions in West Africa.

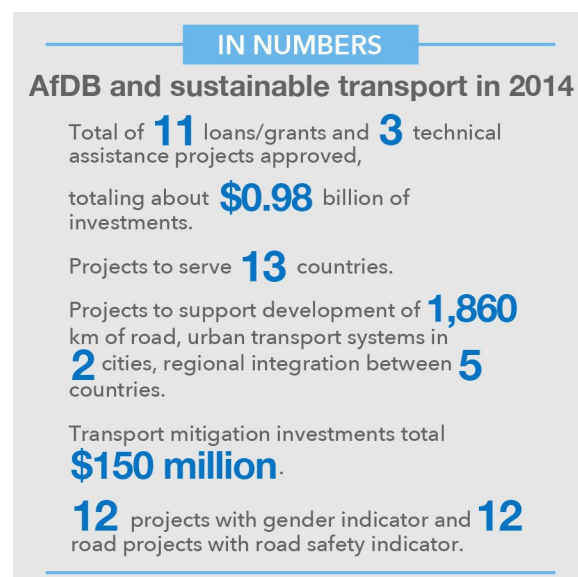
67. In 2014, AfDB approved the Mano River project, which featured upgrading of roads in eastern Guinea, west and southwest Cote D'Ivoire and eastern Liberia. The project was developed and appraised in these fragile states during the Ebola crisis. As the needs of the countries emerged during the crisis, elements of the projects were adapted to address these needs and ensure maximum benefits to affected persons. This included provision of health

screening facilities at border posts between the countries to minimize the transfer of contagious diseases and viruses.

68. In the long term, improved regional integration will help reduce the impact of such epidemics by enabling better access control and faster delivery of urgently needed medical assistance.



Figure 2 Supporting road infrastructure in the Mano River Union



69. **Developing climate resilience in Africa.** Within its mandate to deliver more sustainable transport, AfDB prioritized capacity development of member countries to plan, implement and sustain more climate resilient infrastructure. This is achieved in collaboration with development partners.

70. In 2014, AfDB approved the Rwanda Road Sector Support Program, supported by a Nordic Development Fund grant. The program is to enhance climate resilience and sustainability of investments in Africa. The grant provided technical assistance on building knowledge and developing technical and policy tools for the transport sector to integrate climate change as well as other natural disasters into all aspects of the transport lifecycle. This includes support for crosscutting approaches on environment and social co-benefits, and developing human resources through multiple channels.

71. **Mainstreaming gender for inclusive growth.** In 2014, AfDB operationalized its Gender Strategy (2014-2018). The Transport Department gave attention to introducing gender-sensitive elements in projects. For example, for the Batschenga-Ntui-Yoko-Tibati-Ngaoundéré road project in Cameroon, which links the capital city of Yaoundé and the Centre and South Regions to the Adamaoua, North and Far North Regions, the AfDB worked with UN Women to include gender mainstreaming actions within the project scope. One of the outputs of the project will be to produce a methodological guide on gender mainstreaming in the road sector.



**Figure 3** The Gender Strategy launched in 2014, and AfDB's Special Report on Railways: Railway Infrastructure in Africa - Financing Policy Options

72. Moving forward, AfDB expects to mainstream gender issues in all its transport operations and contribute to wider social inclusion within its projects' zones of influence.

73. **Supporting physical sustainability of transport infrastructure.** The Manzini-Mbadlane Road Project in Swaziland was approved by the AfDB in 2014. This included a TA grant to support institutional reforms in the transport sector in Swaziland, including establishing of a Road Fund. This is expected to contribute to ensuring physical sustainability of the country's road assets.



**Figure 4** More sustainable infrastructure in Swaziland

74. **Financial empowerment for more sustainable transport.** Africa's infrastructure investment gap is estimated at \$50 billion per year, and although non-traditional sources of finance are beginning to emerge, the needs of the transport sector are evident – particularly in relation to rapid urbanization, unlocking strategic corridors and sustaining economic growth.

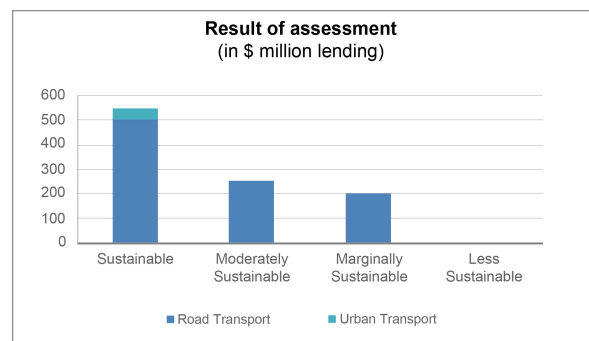
75. In addition to new “fully flexible” sovereign loans, TA, and viability gap and mezzanine financing for private sector projects, the AfDB developed, incubated, and launched in 2014, the “Africa50”, a tool which is anticipated to promote sustainable project development, preparation and financing for private sector infrastructure projects, with sustainable transport being one of its target priority areas.

76. **Urban development.** Acknowledging the growing role of cities as economic and social hubs, AfDB continued to support urban development in African cities, within the overall framework of its urban development strategy. AfDB recognizes the key role that cleaner public transport can play in reducing emissions and pollution, which is a slow but steadily

growing challenge in African cities. In 2014, AfDB assisted the city of Parakou in Benin, to improve traffic flow, encourage lower emissions, and achieve modal shifts towards cleaner types of transport fleets.

77. **Commitment to knowledge sharing for improved future projects.** In 2014, AfDB completed an ex-post Socio-economic Impact Assessment of the Koumra-Sarh Road project in Chad, which included assessments of social inclusiveness and sustainability.

78. AfDB also produced a flagship pan-African report, “Rail Infrastructure in Africa” which highlights ten key lessons learnt from past rail projects in Africa. This has been disseminated to key stakeholders around the continent.

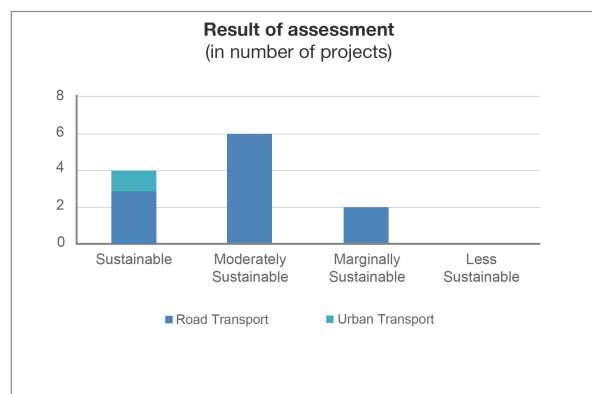


**Figure 5** Result of assessment of AfDB’s 2014 approved projects using a modified version of STAR

### Assessment of the sustainability of 2014 lending

79. The AfDB applied the Sustainable Transport Appraisal Rating (STAR) framework, on a pilot basis, to assess the sustainability of projects approved in 2014.<sup>5</sup>

80. Most projects were rated sustainable or moderately sustainable. Across all projects, the aspects of sustainability that were strongest, in order of greater sustainability, were (i) economic effectiveness, (ii) social inclusion and gender, (iii) environmental and climate change, and (iv) physical and financial sustainability.



<sup>5</sup> Excludes TAs, TA loans and policy-based loans.

## 5.2 Asian Development Bank

### Operational context and strategic approach

81. **ADB is midway through implementation of its Sustainable Transport Initiative Operational Plan, 2010-2020 (STI).** Under STI, ADB is modifying its transport operations to meet the challenges facing developing member countries, including rapid motorization, associated externalities, and a backlog of transport infrastructure estimated to require more than \$2.5 trillion in new investment over the present decade.

82. **ADB's work in 2014 covered a wide range of transport operations to support sustainable growth in client countries.** These included:

- Road programs that benefit rural districts in India, Cambodia, and Sri Lanka.
- Urban public transport in Viet Nam and PRC.
- Railway development in Bangladesh, India, and PRC.
- Multi-modal port and road link development in PRC.
- Regional and trade corridor improvements in South and Central Asia.
- Increased focus on road safety and climate change in ADB-supported road projects.



**Figure 6** Climate proofing and road safety are increasing focus areas in ADB transport operations

### IN NUMBERS

#### ADB and sustainable transport in 2014

Total of **28** loans/grants and **32** technical assistance projects approved,

totaling about **\$3.75** billion of investments.

Projects to serve **17** countries.

Projects to support development of **8,431** km of road, **719** km of railways, urban transport systems in **10** cities, as well as upgrades of **5** ports and **1** airport.

Transport mitigation investments total **\$412.96** million.

**19** projects with gender indicator and **12** road projects with road safety indicator.

### Highlights from 2014

83. **Supporting innovation in implementation of road safety measures.** ADB is improving 1,600 km of district roads in Madhya Pradesh, India. Improvements include all-weather standards incorporating road safety features and information technology-enabled crash response system. For the first time in India, the project is proposing to link insurance funds to the crash response system. The contracts also include five-year performance-based maintenance obligations to ensure sustainability of the reconstructed and rehabilitated roads. Road safety audits will be conducted during construction and before opening of roads for traffic.

84. **Supporting safe provincial and rural connectivity in Pu'er, Yunnan, PRC.** ADB supports upgrading highways and improvements in connecting roads and transport services in rural areas. The project supports the introduction of road safety design measures using ChinaRAP.<sup>6</sup> It also includes improvements to village bus services, a gender-focused rural road maintenance program, and provincial government capacity building in financial and project management, road maintenance, and road safety.

<sup>6</sup> ChinaRAP is a road safety design decision-making tool developed by the International Road Assessment Programme (iRAP) and the PRC's Research Institute of Highway (RIOH).

85. **Enhancing access to new rail mass rapid transit lines in Viet Nam.** ADB approved two sustainable urban transport projects for Viet Nam: Strengthening Sustainable Urban Transport for Ha Noi Metro Line 3 and Sustainable Urban Transport for Ho Chi Minh Mass Rapid Transit Line. Both projects support multi-modal station access enhancements including bus, walk and cycle access measures and facilities, as well as policy and technology enhancement for station and parking management. The projects will bring strong economic, social (including road safety), and environmental benefits through performance enhancement of the new rail rapid transit lines.



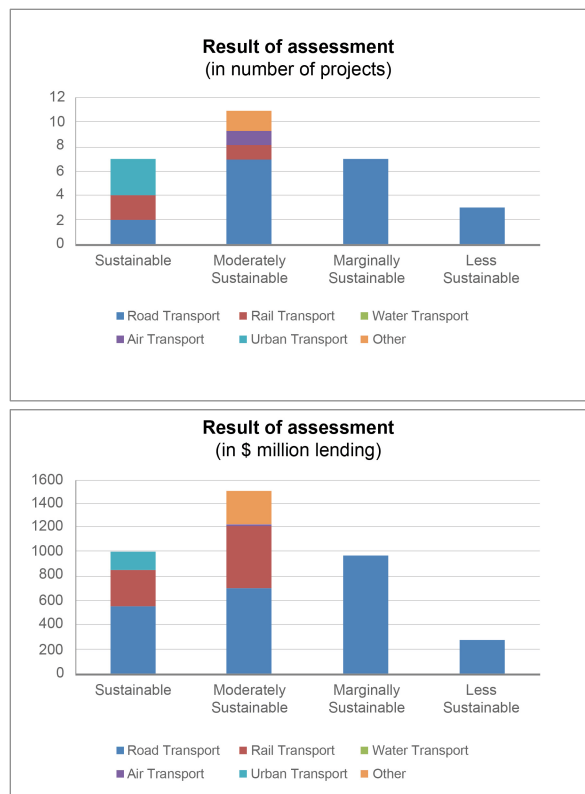
**Figure 7** Ho Chi Minh is working to reduce car dependency by developing a sustainable urban transport network

86. ADB is increasingly providing value-added financing to developing member countries, including faster and better coordinated delivery of knowledge solutions. ADB provides continuous support for safe, efficient and effective movement of goods and people, through its subregional cooperation programs in Central and West Asia (CAREC), South Asia (SASEC) and Southeast Asia (GMS). Four subregional road projects and one subregional rail project were approved in 2014.
87. **Joint learning with developing member countries.** ADB held its biennial flagship transport event in 2014, the ADB Transport Forum, a key knowledge platform for transport officials and professionals in the Asia Pacific region. This was ADB's 4th forum, and its theme was "Transport in the

Asian Century." Sessions examined the implications for transport of Asia's rapid economic growth, which is expected to result in the region becoming home to the majority of the world's middle class and the largest producer and consumer of goods and services. The event gathered around 1,000 industry leaders and transport decision makers. ADB also held training sessions on designing socially inclusive transport, climate finance, urban road safety, and road asset management.

### Assessment of the sustainability of 2014 lending

88. ADB applied the Sustainable Transport Appraisal Rating (STAR) framework to assess the sustainability of projects approved in 2014.<sup>7</sup> Across all projects, the aspects of sustainability that were strongest were (i) social, (ii) economic, and (iii) environmental in that order. From experience since 2012, the use of STAR has contributed to improving the social inclusiveness of projects.



**Figure 8** Results of assessment of ADB's 2014 approved transport projects using STAR

<sup>7</sup> Excludes TAs, TA loans and policy-based loans.

## 5.3 CAF - Development Bank of Latin America

### Operational context and strategic approach

89. Transport remains a key enabler of competitiveness and equity in the Latin American region. Very large investments are needed to overcome poverty, social disparities and logistic bottlenecks. At the same time, economic growth is leading to increasing motor vehicle ownership, resulting in major negative externalities, including congestion, air pollution, GHG emissions, and road fatalities and injuries.

90. CAF's transport agenda supports and fosters programs, projects and research dedicated to sustainable, low carbon transport, and has been focusing on how to meet challenges posed by economic growth, continued urbanization, and climate change. In addition, gender issues and recent technological advances have presented further challenges for developing holistic, inclusive and efficient solutions to accessibility and mobility. In 2014, CAF's transport program supported:

- Increased focus on road safety in all CAF-supported projects, particularly in road projects.
- Major support for non-motorized transport through public bicycle systems.
- Port development and enhancement in Argentina.
- Mass transit support for metros in Lima and Quito.
- Research agenda on motorcycles and the impacts on urban mobility.
- Road programs to improve access and connectivity to inland regions including during rainy seasons.
- Maintenance and rehabilitation of rural roads.
- Railway development and enhancement in Uruguay.
- Observatory of Urban Mobility (OUM) covering the 28 largest cities of the region.



**Figure 9** Motorcycles in Latin America are a growing concern

#### IN NUMBERS

#### CAF and sustainable transport in 2014

**15** loans approved, totaling about **\$1.02** billion.

**16** grants and technical assistance projects approved, totaling about **\$5.9** million.

Projects and technical assistance to serve **9** countries.

Projects to support development of **763** km of road, **35** km of railways in urban areas, as well as the upgrade of **1** port.

Climate finance for **\$328.9** million.

#### Highlights from 2014

91. **Supporting key transport corridor to provide better access to services and distant markets.** During 2014, CAF's road safety work continued with road safety audits of all funded roads. The MDBs' Road Safety Guidelines have been adapted for internal use.
92. CAF has supported several sustainable transport programs in cities, such as Lima and Montevideo, to develop and implement public bicycle programs. This initiative has been coupled with a publication: *Public Bicycle Systems: A practical guide for implementation* (CAF 2015).<sup>8</sup>
93. There are currently over 30 million motorcycles registered in the region,

<sup>8</sup> Available for download at:  
<http://scioteca.caf.com/handle/123456789/745>

impacting mobility, financial sustainability of mass transit systems, and road safety. As the number of motorcycles continues to increase rapidly, CAF has provided substantial resources for studying the causes of acquisition and usage of two-wheel vehicles for all purposes: private transport, public transport, and commercial purposes, among others. The findings are summarized in the publication: *The Motorcycle in Latin America: Characterization of usage and mobility impacts on 5 cities of the region* (CAF 2015).<sup>9</sup>

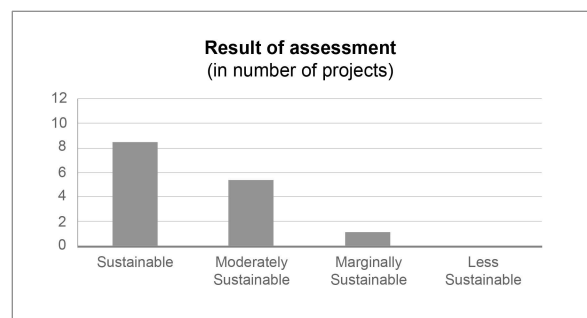
94. CAF continues to provide value addition to its country members, and from 2013 to 2014, CAF increased the amount dedicated to climate funding through green credit lines. In 2014, climate finance was around 33% of total transport financing, reaching \$328.9 million.
95. Additionally in 2014, CAF provided the Latin American region with sound and standardized data through its Observatory of Urban Mobility (OUM). As part of this initiative, research on affordability, intelligent transport systems (ITS) and traffic demand management will be carried out on 2015. Moreover, this will fund the 2015 data update for the 28 participating cities.
96. **Joint learning with developing member countries.** As connectivity and access in rural roads continue to challenge development, CAF is developing a Regional Road Maintenance Observatory. This initiative will support central and local governments, transport users, and all transport stakeholders in Latin America. The observatory will collect, organize and analyze data related to road infrastructure assets, including their design characteristics, condition, maintenance, and the resources devoted to this important task. The observatory will also provide analyses and aim to foster discussion among policymakers about the importance of road maintenance and

describe its performance throughout the region.

97. In 2014, CAF held its OUM flagship event, where transport experts and key invitees discussed CAF's transport strategy and agenda over three days. Project updates, policies and issues, best practices and recent innovations in the area of sustainable transport were discussed during the event.
98. Continuing with road safety training, CAF held courses for engineers in Asunción (Paraguay), Montevideo (Uruguay), La Paz (Bolivia), Quito and Guayaquil (Ecuador).
99. **Joint initiatives and promoting partnerships.** CAF has been working on several strategic alliances and partnerships. It has signed a Memorandum of Understanding with the University of Toronto for the provision of better and more solid planning tools for the cities in the region, and particularly, cities among the Observatory. Through this initiative, CAF searches for better means to understand and implement data collection tools, modeling and planning, all influenced by ITS implementation and real-time data provision.

### Assessment of the sustainability of 2014 lending

100. As part of a broader evaluation included in the risk analysis of all operations funded in 2014, CAF has included a Sustainability Index based on a modified version of STAR. In 2014, CAF assessed 14 out of 15 lending operations, of which 57% were rated sustainable.



**Figure 10** Result of assessment of CAF's 2014 Sustainability Index based on a modified version of STAR

<sup>9</sup> Available for download at: <http://scioteca.caf.com/handle/123456789/754>



## 5.4 European Bank for Reconstruction and Development

### Operational context and strategic approach

101. The EBRD invests in transport projects that connect businesses to suppliers and markets and give people access to economic opportunities and essential services. Guided by EBRD's Strategies for the Transport Sector and for Municipal and Environmental Infrastructure, as well as some of its key initiatives (Sustainable Energy Initiative, Road Safety Initiative and Strategic Gender Initiative), EBRD's work in 2014 sought to increase the sustainability of its transport operations in terms of volume of financing, number of operations, coverage of sectors, emissions reductions and social inclusion. As before, policy dialogue and targeted technical cooperation, generously supported by the EBRD's donors, remained vital to support the delivery of these activities.

#### IN NUMBERS

##### EBRD and sustainable transport in 2014

Total of **36** transactions approved, totaling **\$1.7** billion of investments in both public and private sector (private sector lending represented **37%**).

**\$21.2** million of Technical Cooperation grants raised from donors in support of **62** initiatives and projects.

Projects to serve **19** countries.

A diversified portfolio, in which rail and public transport account for **41%**.

Projects to support development of **348** km of road, **35** km of railways, urban transport systems in **9** cities, as well as upgrade of **4** ports and **2** airports.

**16** projects supporting modernization of transport fleet (railcars, locomotives, vessels, clean trucks and buses).

**\$662** million invested in climate mitigation with estimated savings of over **500** kilotons CO<sub>2</sub> per annum.

Road safety components included in **5** projects in the road sector.

Gender action plans implemented in **3** projects for passenger transport.

### Highlights from 2014

102. Climate change mitigation and adaptation are important areas of EBRD's work in sustainable transport. Flagship transport projects in this area include the modernization of Egypt's railway system with safer modern rolling stock and a tranching loan to Moldova's national rail company to finance fleet modernization and improved energy management.



Figure 11 Egyptian National Railways

103. In urban transport, EBRD also focused its activities on reducing carbon emissions by supporting greener modes of transport, such as electric trams or buses running on cleaner technologies. In Izmir, Turkey, EBRD made a strong contribution to sustainable transport with an investment in efficient urban rail. The second biggest city of Kyrgyz Republic, Osh, will obtain 20 new trolleybuses and 24 new buses in a financing package that will promote employment opportunities for women in the city's urban transport sector.

104. In the port sector, EBRD provided loans to finance the development of a new grain transshipment terminal in the Port of Odessa, which will boost Ukraine's grain export potential and reduce carbon emissions. EBRD also supported the development of DCT Gdansk deep-water container terminal, including measures to boost the port's resilience to climate change and rising sea levels.

105. EBRD encourages its clients to diversify their sources of funding by accessing the capital markets. It subscribed to several bond issuances, such as the Eurobonds issued by the national rail company in

Kazakhstan to further develop its logistics business on the critical EU-PRC trade route. EBRD also promotes green logistics by supporting projects such as the construction of a modern intermodal logistics terminal in Tbilisi and the acquisition of vessels for short sea shipping between Turkey and Central Europe.

106. EBRD also plays an important role in promoting regional integration by financing key road infrastructure such as the Pan-European corridors around Kiev and the rehabilitation of the main network in Moldova, which will help spread economic development to remote parts of Moldova and strengthen ties with neighboring countries. As part of its commitment to sustainable transport, EBRD has promoted road safety as part of these projects. Following the new Environmental and Social Policy, which introduced specific requirements for road safety audits in new transactions, EBRD continues to help its clients to build capacity in this area and integrate road safety into their construction standards.



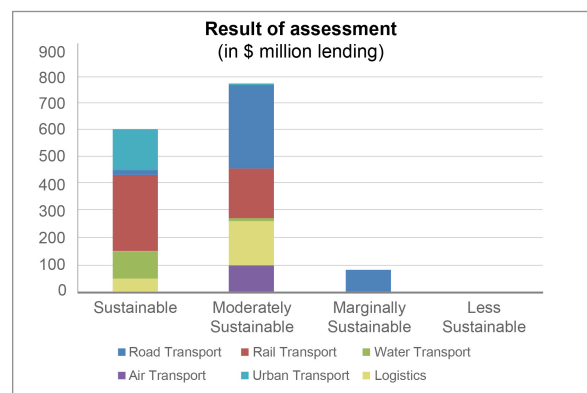
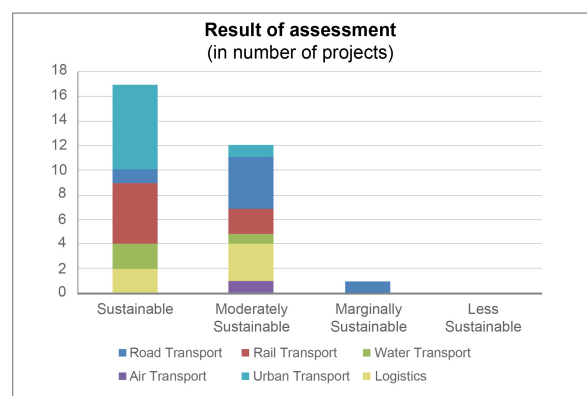
**Figure 12** Safer Villages Campaign in Ukraine

107. An important part of EBRD's engagement in road safety runs in partnership with civil society organizations like the Eastern Alliance for Safe and Sustainable Transport (EASST). Together with EASST, EBRD has engaged in safety campaigns in Azerbaijan, Moldova and Ukraine. These aim to raise awareness for the most vulnerable road users (such as children travelling to school).

## Assessment of the sustainability of 2014 lending

108. For the third year, EBRD assessed the sustainability of its projects under a common evaluation framework agreed with other MDBs.

109. Compared with the analysis in previous years, the overall average rating has improved from 1.45 in 2012 to 1.60 in 2013 and 1.64 in 2014. This improvement is the consequence of EBRD's efforts on a broad array of sustainability initiatives, including gender, sustainable funding, social inclusion, climate change, and road safety.



**Figure 13** Results of assessment of EBRD's 2014 approved projects using a modified version of STAR<sup>10</sup>

<sup>10</sup> In 2014, five transactions consisted of financial operations (e.g. balance sheet and loan restructuring) with no additional or new capex. These transactions have been not been rated.

## 5.5 European Investment Bank

### Operational context and strategic approach

110. The EIB invests in sound projects that promote sustainable and inclusive growth. Whether in pre-accession countries and the EU's immediate neighborhood, in the EU's eastern countries, in the African, Caribbean and Pacific countries or in Asia and Latin America, the EIB works to support EU policies and development goals.

111. The total EIB investment to developing countries<sup>11</sup> in the transport sector in 2014 amounts to €3.9 billion (\$4.41 billion), of which about two-thirds was for projects in developing countries in the EU (mainly Poland). Public transport made up 45% of this volume.

112. The EIB's lending to the transport sector is mainly guided by the following objectives:

- **Climate change mitigation and adaptation.** For instance, the EIB in 2014 financed a second rail track and upgrade of the existing track on the 71 km section between Laksam and Akhaura in eastern central Bangladesh. The estimated reduction of GHG emissions is about 64 kilotons per year.
- **Development of social and economic infrastructure.** One example is funding the Vlöre road bypass in Albania, achieving time savings and improving safety, and another is the rehabilitation of 149 km of single-track railway in Kosovo, promoting a modal shift from road to rail.
- **Regional integration and growth.** This can be seen in financing railway rehabilitation projects in Bulgaria, Poland, Kosovo and Hungary, contributing to the development of pan-European corridors.

<sup>11</sup> Total EIB lending to transport in 2014 was €13.6 billion (\$15.2 billion). For the purpose of this report, only the share of EIB lending towards developing countries has been reported, following the IMF definition of developing countries in 2012 (start of the MDB reporting). This includes the following EU member states: Latvia, Lithuania, Poland, Hungary, Romania, and Bulgaria.

### IN NUMBERS

#### EIB and sustainable transport in 2014

Total of **26** loans/grants and projects approved, totaling about **\$4.41** billion of EIB lending (or EUR 3.9 billion).

Helping to mobilize finance from other sources to enable investments of **\$15.2** billion (EUR 13.6 billion).

Projects to serve **13** countries, of which 10 are outside the EU.

Projects to support construction or rehabilitation of **485** km of road and **1,071** km of railways, as well as urban transport systems in **20** cities and the upgrade of **3** airports.

Public transport receives **45%** of lending.



**Figure 14** Almost half of EIB's financing to the transport sector is for public transport improvements

### Highlights from 2014

113. **Bosphorus railway tunnel.** Istanbul is not the same city it was in 1860, when the first proposals to build a tunnel under the Bosphorus were mooted. Now, 153 years after the idea emerged, the tunnel has been inaugurated as part of a radical overhaul of Istanbul's urban rail services and one of the world's most ambitious urban transport schemes. Its opening marks the culmination of a nine-year involvement of the EIB, during which the Bank has invested €1.05 billion in its largest ever project outside the EU. It is anticipated that within a few years after opening the tunnel will be used by over 500 million passengers per year, saving over 88 million hours of travel time. The reduction of car transport due to the

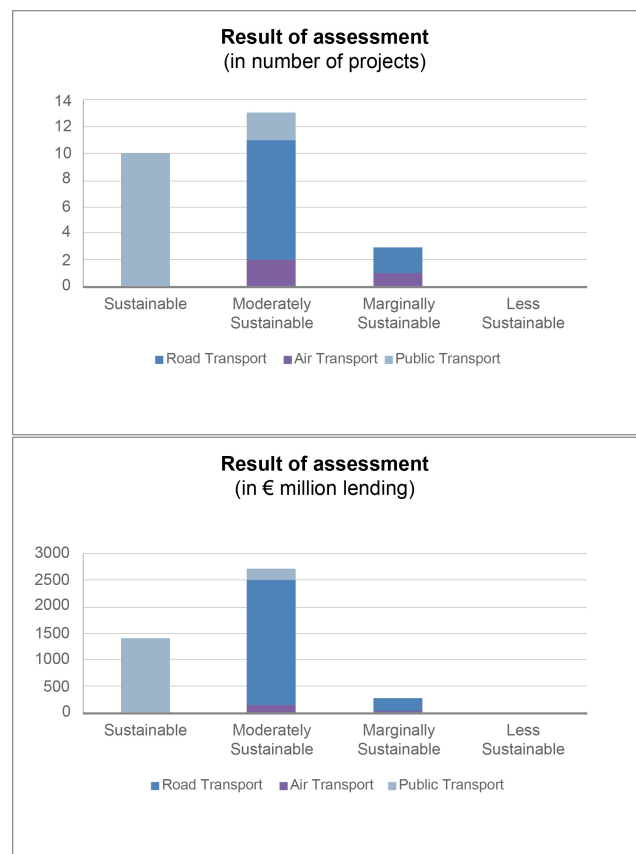
project is expected to result in a reduction in GHG emissions of 30 kilotons per year, improving the air quality and reducing noise pollution in Turkey's largest metropolis.

114. **Rehabilitation of Liberia's airport.** The runway of Roberts International Airport in Monrovia was damaged extensively during the course of Liberia's civil war, and it still remains in poor condition, presenting a serious safety risk to aircrafts. Without rehabilitation, the airport would have had to close, forcing traffic to drive from neighboring countries or a smaller regional airport. The EIB financed the rehabilitation of the runway and various safety-related improvements. Due to these investments, the airport can remain open and travelers avoid three hours of additional travel and waiting time. The project ensured sound and reliable access to air transport, which is an essential component of the balanced development of the Liberian economy and to help it emerge from a period of damaging civil war.

115. **Railway infrastructure in Poland.** The EIB actively supported the railway sector in Poland. In 2014, the EIB provided two loans for the modernization of a 58 km railway section between Katowice to Kraków and for a 66 km section between Warsaw and the border with Lithuania. In addition, a third loan was approved for the rehabilitation of some 415 km of mainline track as well as the modernization of about 420 level crossings and installation of a nationwide passenger information system. Together, these three projects are estimated to result in time savings for railway passengers in Poland in excess of 7.5 million hour per year.

### Assessment of the sustainability of 2014 lending

116. Using the Sustainable Transport Appraisal Rating (STAR), the EIB assessed the sustainability of its projects for 2014. As shown in the succeeding figures, 88% of relevant projects received a rating of moderately sustainable or above.



**Figure 15** Results of EIB's assessment of 2014 approved transport projects in developing countries using a modified version of STAR

## 5.6 Inter-American Development Bank

### Operational context and strategic approach

#### 117. Infrastructure investment or road investment as economic development.

In Latin America and the Caribbean (LAC) region investment in infrastructure has lagged behind growth in demand. To address this challenge and close the investment gap, the region will need to invest at least 2% of its GDP, rising from the current level of \$150 billion to \$250 billion per year.<sup>12</sup>

118. The IADB has provided about \$5 billion of lending for infrastructure per year since 2009. A major portion of this has gone to finance transport infrastructure. In 2014, approved loans and non-reimbursable grants prepared by the IADB transport division came to over \$1.7 billion with emphasis on:

- Construction of urban underground rail
- Support for rural road rehabilitation and maintenance
- Climate proofing of road infrastructure
- National strategies and policies to support freight logistics, trade integration, and road safety
- Institutional support and strengthening for urban and non-urban transport projects
- Support for low-carbon urban mobility



**Figure 16** Climate proofing the Roaring Creek Bridge in Belize

<sup>12</sup> IADB Sustainable Infrastructure Strategy for Competitiveness and Inclusive Growth.

### IN NUMBERS

#### IADB and sustainable transport in 2014

Total of **13** loans/grants and **20** technical assistance projects approved,

totaling about **\$1.70** billion of investments.

Projects to serve **26** countries.

Projects to support development and maintenance of **3,584** km of road, **35** km of railways, **11** km of integrated bus systems and urban transport systems in **6** cities, as well as an upgrade of **1** airport.

Transport mitigation investments total **\$364** million.

At least **6** loan operations have gender indicators and **11** road projects have road safety indicators.

#### Highlights from 2014

119. **Supporting secondary and rural road connectivity to provide better access to goods and services, and improving connectivity of productive areas in Paraguay.** In 2014, the IADB supported Paraguay with two road improvement projects that will provide residents with better access to goods and services, and will support the country's most productive rural areas to find distribution channels with lower transport and maintenance costs.

120. Almost 40% of the country's population lives in rural areas, characterized by poor accessibility to social and economic opportunities. Paraguay has an estimated road network of just over 62,200 km, of which 70% are rural roads. The vast majority (97%) of these are gravel roads that lack adequate drainage facilities. Based on road inventories, more than 65% of rural roads in Paraguay are in poor conditions, and as such become unavailable for 40-90 days per year on average.

121. The IADB's objective for Paraguay's transport lending in 2014 is to improve road surface quality and connectivity in rural areas by upgrading 390 km of rural roads and working on more than 85 km of secondary road rehabilitation and construction. Furthermore, IADB's lending objectives also include supporting

economic activity through road improvements that allow better connectivity between important inland river ports.

122. **Construction and operation of 35 km of underground urban rail in Lima, Peru.**

The IADB approved a sustainable urban mobility loan for the construction of 35 km of underground metro, supporting the second urban rail line in the city. The project is expected to provide low-carbon mobility for about 660,000 passengers per day in 2020, and provide time savings of nearly 60 minutes per trip.

123. During project preparation, IADB cooperated with the WB, CAF – Development Bank of Latin America, Japan International Cooperation Agency (JICA), and the French Development Agency (AFD). IADB took leadership of the coordination process with these organizations as well as other institutions such as the KfW Development Bank and the European Investment Bank (EIB).

124. The urban rail project aims to improve the mobility and accessibility of the population living in Lima Metropolitan Area; increase public transport coverage; and, improve quality, safety and reliability while decreasing negative environmental impacts such as GHG emissions and criteria pollutant emissions. Such benefits will be attained by public transport vehicle substitution, improvements in public transport operations in the corridor, introduction of electric urban rail vehicles and modal shift.

125. **Development and implementation of sustainable mobility planning for climate change considerations in urban transport projects in major Brazilian cities.**

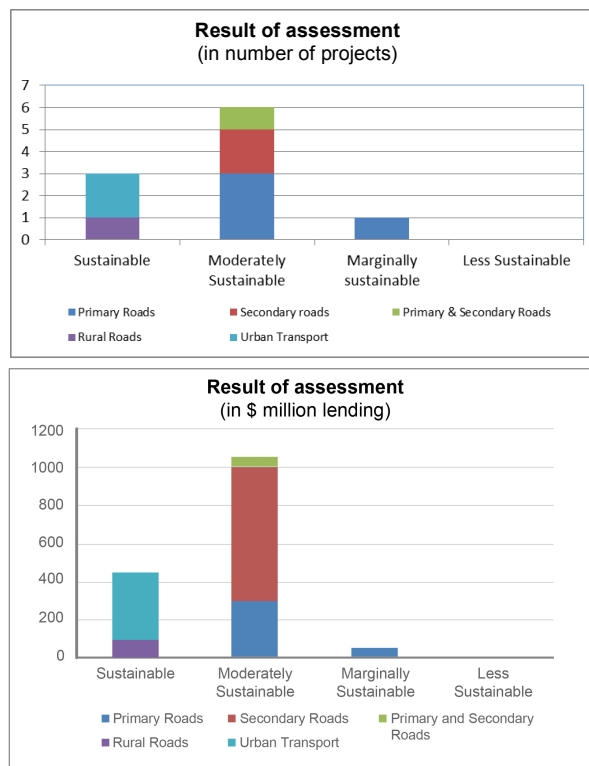
In 2014, IADB approved a Global Environment Facility (GEF) grant to support the development and testing of sustainable transport assessment tools, the development of pilot projects and administering training and dissemination activities to reduce the negative impacts of urban transport in Brazilian cities. These activities will support the country's voluntary commitment of reducing GHG

emissions between 36% and 39% below business-as-usual levels by the year 2020.

126. The project will also contribute to improving urban mobility in large and medium-sized Brazilian cities and will also support National, State and Municipal governments in the implementation of the National Climate Change Plan (PNMC) and its related transport sector plan.

**Assessment of the sustainability of 2014 lending**

127. IADB applied the Sustainable Transport Appraisal Rating (STAR) methodology to assess the sustainability of projects approved in 2014.<sup>13</sup> Together with ratings from 2013, the analysis provides a general picture of the sustainability of IADB transport projects in the last couple of years as shown in the next tables.



**Figure 17** Results of assessment of IADB's 2013 and 2014 approved transport projects using a modified version of STAR

<sup>13</sup> Excludes Technical Cooperations (TCs), TC loans and policy-based loans.

## 5.7 Islamic Development Bank

### Operational context and strategic approach

128. A significant infrastructure financing gap exists in IsDB member countries. This is reflected in the 2014 project operations, in which infrastructure continues to receive the largest share of IsDB Ordinary Capital Resources (OCR) financing (almost 83% of investments). The transport sector received 33% of this funding—the second largest infrastructure sector.

129. IsDB continues to focus on transport networks that facilitate the integration of its member countries with the regional and/or global economy, as well as financing road safety. IsDB's interventions in 2014 included:

- Increased focus on rural roads in support of inclusive and sustainable development of rural and marginalized communities in Azerbaijan, Burkina Faso, Cameroon, Chad, Uganda, Benin, and Niger.
- Development and expansion of airports in Africa, namely: Sharm El Sheikh Airport in Egypt and Bamako-Sénou International Airport in Mali.
- TA Loan to Niger for the Development of a Regional Railway Loop linking Niger, Cote d'Ivoire, Benin and Burkina Faso.
- Financing the last remaining section of Southern Coastal Highway in Lebanon to provide better access and increase focus on road maintenance in the southern part of Lebanon.



Figure 18 Southern Coastal Highway in Lebanon

### IN NUMBERS

#### IsDB and sustainable transport in 2014

Total of **14** operations\* and **1** technical assistance projects approved,

totaling about **\$1.46** billion of investments.

Projects to serve **11** countries.

Projects to support development of **897** km of road, as well as upgrades of **2** airports.

**8** road projects with road safety indicators.

**50%** of projects include climate proofing components.



Figure 19 Construction of rural roads in Cameroon

### Highlights from 2014

130. **Promoting integration between IsDB's member countries.** IsDB continues its strong focus on promoting regional integration through road networks, especially in Africa:

- *Construction of Keremou-Banikoara Burkina Faso Border Road:* The construction of this 54 km road in Benin will be part of the international link to Niger, Burkina Faso, Benin and Nigeria.
- *Upgrading of the Dedougou-Tougan Road Project:* The upgrading of the existing 91 km earth road in Burkina Faso will enhance regional integration with Mali.
- *Upgrading of Kantchari-Diapaga-Benin Border Road Project:* The construction of this 145 km road in Burkina Faso will provide access to the isolated parts of the eastern

region of the country and enhance integration with Benin.

- *Olama-Kribi Road Project (Construction of Olama-Bingambo Section):* The construction of this 204 km road section in Cameroon would enhance access from and to the Port of Kribi, the first and largest deep-water port in the country, and is expected to serve Equatorial Guinea, Chad and Central African Republic.
- *Trans-Saharan Road Project (Construction of Bol-Rig Rig Section):* Construction of this 138 km highway section in Chad is expected to enhance integration between Chad and Niger, as well as regional connectivity between West African and Central African States.
- *Construction of Sanam-Tebaram Road Project:* The 57 km road in Niger will form part of the corridor between Ouagadougou in Burkina Faso and Niamey in Niger, which will also merge with the Trans Saharan road (Algiers – Lagos) at Algadez in Niger.

In addition to promoting regional integration in Africa, IsDB continues its active role in the CAREC regional cooperation framework in Central Asia.

131. **Joint learning with member countries.** In 2014, IsDB continued its partnership with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), working on sustainable urban transport. This cooperation produced two training workshops in 2014: (i) “Improvement of Bus Transport and Bus Rapid Transit” held in Istanbul, Turkey in April and co-organized with International Road Transport Union (IRU), and (ii) “The Role of Sustainable Urban Transport in the Framework of African Cities” held in Rabat, Morocco in October. More than 70 high-level representatives from over 20 countries attended these workshops, which were planned as a first step towards capacity building and shifting mindset towards sustainable transport solutions.



**Figure 20** IRU-LAS-AULT International Seminar to discuss IsDB project results for safer and more efficient road transport in the Arab world

132. IsDB and GIZ also produced “Big Cities – Big Challenges: Sustainable Urban Transport across Major Middle East and North African Cities,” a first step towards a deeper analysis of common urban transport challenges in the Middle East and North Africa (MENA) region and the most effective solutions to address them.
133. In October 2014, IRU, the Arab Union of Land Transport (AULT), and the League of Arab States (LAS) held an international seminar in Alexandria, Egypt in support of IsDB to discuss the results of the IsDB funded study “Safer and More Efficient Road Transport in the Arab World.” The study was done in cooperation with AULT and IRU. The seminar aimed to improve efficiency of road transport services in the Arab world and to identify optimized road transport facilitation strategies.

### Assessment of the sustainability of 2014 lending<sup>14</sup>

134. IsDB applied its interim modified Sustainable Transport Appraisal Rating (modified STAR) framework for the second year to assess the sustainability of projects approved in 2014.<sup>15</sup> Similar to 2013, most projects assessed were rated moderately sustainable (57%). However, the share of projects rated low in sustainability (marginally sustainable) was half the share in 2013 (14%), and almost one third of the projects were rated as sustainable (29%),

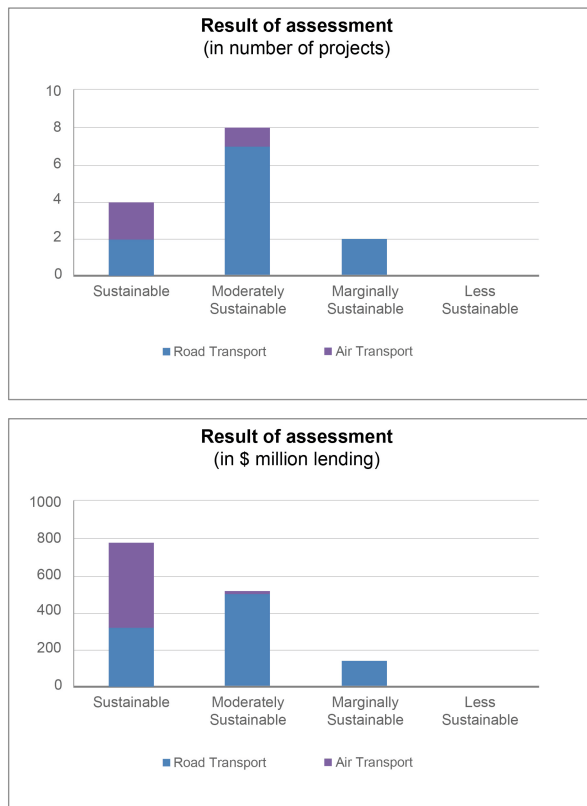
<sup>14</sup> Figures based on staff estimates for proof of concept purposes, and do not reflect the official position of IsDB.

<sup>15</sup> Excludes TAs.



showing an overall improvement in rating results.

135. As expected, economic sustainability was found to be consistently high in all projects, as was the case in 2013. Social sustainability came after that but had generally improved from 2013. Environmental sustainability followed that and operational sustainability remained the lowest rated aspect in the assessed projects.



**Figure 21** Results of assessment of IsDB's 2014 approved transport projects using IsDB's modified STAR

## 5.8 World Bank

### Operational context and strategic approach

136. The world faces two urgent and interconnected global challenges: eradicating poverty through economic empowerment, and tackling climate change. Transport is crucial to both.

137. The WB remains a key partner for developing countries in the transport sector. In our vision of a successful global transport policy over the next 15 years, all people and businesses throughout the world will enjoy sustainable transport – universal, efficient, safe and environmentally-friendly – connecting them to jobs, markets and social services. Sustainable transport is a prerequisite for all countries to attain competitiveness, economic growth, balanced social and spatial development, and energy and food security. It is also essential for reducing GHG emissions to support the 2-degree scenario.

138. The WB’s annual transport financing approvals have reflected this evolution, with a growing emphasis on sustainable

transport and digital solutions. This operational focus has been backed by a strong advocacy engagement on transport issues in recent global fora. The WB’s strategic pillars in transport are:

- In rural access, connecting men and women to economic and social opportunities through accessible all-weather roads and affordable transport options;
- In cities, reducing the use of private vehicles and fossil fuels, and promoting spatial development through efficient, low-carbon mobility and inclusive, safe and resilient public transit, walking and cycling;
- In land-locked countries, providing swift access to neighboring and overseas markets through efficient, cross-border logistics and transport systems; and
- Throughout the world, supporting greater and more sustainable global and regional trade through new routes and development corridors, seamless inter-modality and digital technologies.

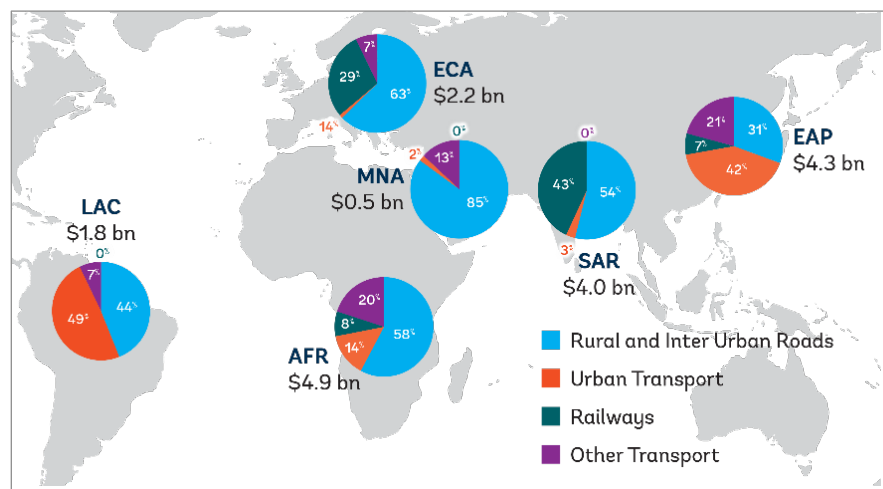


Figure 22 World Bank sustainable transport lending since Rio+20

## IN NUMBERS

### WB and sustainable transport in 2014-2015

Total of **49** loans/grants\* and **58** technical assistance activities approved, totaling about **\$5.3** billion of investments.

Projects to serve **34** countries.

Projects to support development of **4,400** km of road, **900** km of railways, urban transport systems in **15** cities, as well as upgrades of **2** ports and **2** airports.

Transport mitigation investments total about **\$1.1** billion, and adaptation investments total **\$200** million.

**34** projects with gender indicators and **21** road projects with a road safety component.

### Highlights from 2014-2015

139. The WB transport lending continued to shift towards rail (21%), urban mobility (16%) and other modes of transport, with less than half to rural and inter-urban roads. For the first time, all road projects included a road safety component. The operational focus was less on expanding the size of road networks, and more on supporting sustainable transport solutions – low-carbon, safe, resilient and affordable – to connect people and businesses to jobs, markets and social services. Regionally, lending was evenly distributed across Africa (26%), South Asia (25%), Europe and Central Asia (23%) and East Asia (19%), with Latin America and the Middle East and North Africa accounting for smaller shares.
140. **The WB has taken a lead role in elevating the profile of transport issues in global discussions.** It has taken an active part in the UN Secretary General's High-Level Advisory Group for Sustainable Transport, and its supporting Technical Working Group, on the issues of financing requirements for transport (in support of the Addis Ababa Conference on Financing for Development), as well as the drafting of the high-level narrative on sustainable

transport. The WB has also supported the development of the post-2015 SDG framework, advocating for transport-related targets and indicators. It has also worked with the US Department of Transportation and APEC to raise the profile of Women in Transport. Finally, the WB has been actively engaged – both on the analytical and strategic fronts – in raising the profile of transport towards the UN Conference on Climate Change in Paris (COP 21), and the high-level Ministerial Conference on Road Safety in Brasilia.

141. **To generate the evidence needed by the sector to support its narrative, the WB launched the new *Connect for Impact* program, with a vision to engage clients and development financiers to think beyond lending into achieving impact.** While transport accounts for a third of MDB lending on average, it accounts for less than 1 percent of impact evaluation work. This new program, spanning over three years, was launched in Rio during a workshop that brought together 170 participants, 20 projects (from the WB, IDB and CAF, and co-financed by EIB and AfDB), 18 client countries, several MDBs, DFID and researchers from leading academic institutions.
142. **WB transport projects have tackled some of the more complex, integrated development challenges, including development corridors and urban mobility, by going beyond standard infrastructure financing into spatial development, policy reforms and global public goods.** In Ethiopia, the WB is supporting the efficient and safe movement of goods and people along development corridors through the financing of the infrastructure backbone, enhanced with intelligent transport systems and a Safe Systems approach.
143. In Viet Nam, the WB is working to implement a green corridor – BRT project in Ho Chi Minh City. Going far beyond a traditional BRT activity, it incorporates transit-oriented development as a guiding principle, with new sidewalks, green space

and pedestrian overpasses linking stations to surrounding areas.

144. In Colombia, a development policy loan program is helping the government to strengthen its policy framework for developing productive, sustainable and inclusive cities, including improving connectivity within and between cities.

145. In India, a Global Environment Facility grant is supporting four demonstration cities to improve the efficiency of their bus service while reducing GHG emissions by an estimated 230,000 metric tons through 2023.



Figure 23 Connect for Impact

### Sustainability Assessment of 2014-2015 lending

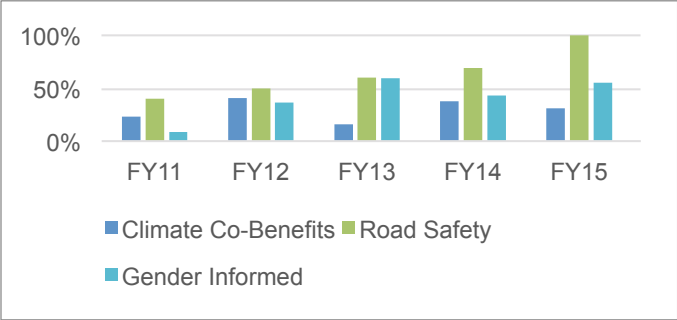
146. All WB projects comply with mandatory sustainability requirements. The environmental and social safeguard policies require an assessment prior to project approval, taking into account the natural environment, health impacts, indigenous peoples, involuntary resettlement and others. Since 1 July 2014, all International Development Association (IDA) projects are subject to climate change and disaster screening. In terms of risks, the WB uses its Systematic Operations Risk-Rating Tool (SORT) to assess all forms of risks threatening the development results of its operations, including fiduciary, technical, environmental and social risks. SORT

helps teams monitor risks consistently across all instruments and throughout the life of an operation.

147. In addition, all transport projects are enhanced with certain sustainability dimensions that are backed by objective measurement and sector targets. Those dimensions coincide with strategic and operational targets set by the sector to increase the sustainability of its interventions (see Figure 27).<sup>16</sup>

- **Climate Benefits:** In FY15, 31% of the new commitments in transport included climate benefits (equivalent to a total of \$1.3 billion). The tracking methodology has been harmonized among MDBs.
- **Greenhouse Gas Emissions:** All WB transport projects are now required to account for GHG emissions at project appraisal. The methodology was peer-reviewed externally in June 2015, and was piloted on three projects approved this year.
- **Road Safety:** All roads projects are screened for road safety during the preparation and design phase, and dedicated safety components are included as feasible. In FY15, 100% of roads projects included such a component.
- **Gender:** Projects are screened for being gender informed: supported by a gender analysis, action and M&E. In FY15, 55% of transport projects met all three criteria, and 79% met at least one.
- **Jobs and Employment Impact:** Currently under development, the WB is developing an indicator for assessing the number of jobs created by its projects. In FY15, 10% of transport projects created jobs as the main development objective, while 53% generated jobs more broadly.

<sup>16</sup> Climate co-benefits include projects financing climate change mitigation and/or adaptation. Projects assessed for road safety include only those with a roads component. Gender informed includes projects with all three aspects of gender (analysis, action, and monitoring and evaluation).



**Figure 24** Metrics of Sustainability in World Bank transport projects (FY11-15 share of transport engagements)

## 6 CONCLUSION AND NEXT STEPS

### Conclusion

148. This report has provided a short summary of the work of our MDBs in the third year of the Rio+20 Commitment.

149. The MDBs are on track to meet our Rio+20 Commitment in terms of volume of funding. Collectively, we approved more than \$20 billion for transport projects in 2014. This financing is being used to develop more sustainable transport projects as evidenced by the ratings of sustainability demonstrated in Chapters 4 and 5 of this report.

150. In line with the MDBs' common framework for assessing the sustainability of transport projects, and the associated action plan, the MDBs have made progress toward using a common sustainability assessment methodology, with seven of the eight MDBs now using STAR or a modified STAR framework. There is potential for further harmonizing these approaches and ensuring a high degree of comparability of results.

151. Common reporting of sustainability was also advanced in 2014 through the use of a 4-point sustainability scale by all eight MDBs. With progressive improvement in underlying assessments of sustainability, greater comparability of reported results among the MDBs would be achieved.

### Tentative plans for 2016

152. In 2016, we plan to improve the methodology for assessing sustainability and improve the common reporting of sustainability as well as advance the implementation of a common indicator framework relevant to all MDBs and aligned with the new SDG indicator framework.

153. Our plans are expected to feature:

- Identifying and, as far as possible, reconciling differences in the

treatment of economic, social and environmental criteria

- Possible adjustments to the framework, to allow specificities of each MDB and their transport projects to be better captured (e.g. types of projects and their impacts)
- Improving harmonization and common reporting
- Aligning the MDBs' proposed common indicators with the new SDG indicator framework. Once the SDG indicators have been decided (tentatively expected within the first half of 2016), the MDBs will be in the position to update our list of common indicators, with a view to reporting on these in the next annual progress report.

154. Other activities are expected to include:

- Conducting joint training workshops
- Outreach/consultation with wider stakeholders, including client countries, experts and other development partners

155. The year 2016 will be the first year of implementation the 2030 Agenda and the SDGs. The MDBs will work closely with concerned stakeholders, including the UN, to ensure that our work can contribute effectively to this process.

### Mid-term plans

156. It is planned that the MDBs annual progress report for 2017 will include a mid-term review of the Rio+20 Commitment.

157. Other areas of joint work for consideration by the WGST in the coming years include carbon footprinting and climate financing.

## ANNEX: LISTS OF PROJECTS APPROVED IN 2014 BY EACH MDB

### African Development Bank

PROJECT	COUNTRY	AfDB financing (in million UA)	AfDB financing (\$ million equivalent)
Road Sector Support Project V	Uganda	70.0	106.4
Dingueraye-Niuro-Keur Ayib Road Project	Senegal	23.8	36.1
Manzini-Mbadlane Road Project	Swaziland	34.2	52.0
Kyabe/Am Timam Road Project	Chad	12.9	19.5
Parakou Urban Transport Project	Benin	23.8	36.2
Upgrading of the RN 18 Nyakararo-Girega Phase I	Burundi	19.4	29.5
Gambia Bridge: Ancillary Studies	Gambia	1.0	1.5
Batshamba – Tshikapa Road Projects Lot 3	DRC	55.6	84.5
Transport Sector Support Program	Rwanda	49.0	74.5
Batchenga-Tibati-N’Gaoundere Road Project	Cameroon	142.5	216.6
The Mano River Union Road and Transport Facilitation Program	Cote D’Ivoire/ Liberia/ Guinea	140.94	214.2
The RN1 Road and Rural Infrastructure Project	DRC	74.0	112.5

\*UA = Unit of Account, exchange rates: September 2014

## Asian Development Bank

PROJECT	COUNTRY	ADB financing (\$ million)
Transport Network Development Investment Program – Tranche 4	Afghanistan	109.00
Strengthening Sustainable Urban Transport for Hanoi Metro Line 3	Viet Nam	4.20
Integrated Road Investment Program – Tranche 2	Sri Lanka	107.00
Jiangxi Jian Sustainable Urban Transport	China, People's Republic of	120.00
Yunnan Pu'er Regional Integrated Road Network Development	China, People's Republic of	200.00
Transport Infrastructure Investment Sector Project	Fiji	100.00
GMS Kunming-Haiphong Transport Corridor Noi Bai-Lao Cai Highway	Viet Nam	147.00
CAREC Corridor 1 (Bishkek-Torugart Road)	Kyrgyz Republic	5.10
Maubin Phyarpon Road Rehabilitation Project	Myanmar	80.00
National Trade Corridor Highway Investment Program – Tranche 3	Pakistan	127.00
Madhya Pradesh District Connectivity Sector Project	India	350.00
Road Network Upgrading	Timor-Leste	11.78
Integrated Road Investment Program – Tranche 1	Sri Lanka	100.00
South Asia Subregional Economic Cooperation Railway Connectivity: Akhaura-Laksam Double Track	Bangladesh	505.00
Transport Sector Flood Recovery	Solomon Islands	13.22
Rural Roads Improvement II	Cambodia	54.00
South Asia Subregional Economic Cooperation Road Connectivity	Bhutan	50.35
Second Road Network Development Investment Program – Tranche 2	Azerbaijan	250.00
National Highway Network Development in Balochistan	Pakistan	195.00
Western Regional Road Corridor Investment Program – Tranche 2	Mongolia	125.00
South Asia Subregional Economic Cooperation Road Connectivity Investment Program – Tranche 1	India	300.00
National Trade Corridor Highway Investment Program – Tranche 2	Pakistan	200.00
South Asia Tourism Infrastructure Development	Nepal	30.00
Road Network Development Program – Tranche 4	Azerbaijan	45.00
Anhui Intermodal Sustainable Transport	China, People's Republic of	200.00
Sustainable Urban Transport for Ho Chi Minh mass Rapid Transit Line 2	Viet Nam	10.00
Railway Energy Efficiency and Safety Enhancement Investment Program – Tranche 5	China, People's Republic of	170.00
Railway Sector Investment Program – Tranche 2	India	130.00

Note: The list above includes all approved projects in 2014 with transport as the primary sector. It excludes multi-sector projects with transport components, private sector operations and information and communication technology (ICT) projects. Financing amounts exclude co-financing.



## CAF - Development Bank of Latin America

PROJECT	COUNTRY	CAF financing (\$ million)
Project access reorganization to the Port of Barranqueras	Argentina	12.00
Porvenir-Puerto Rico Road	Bolivia	62.00
Epizama-Comarapa Road and Construction of Torno-Espejos Bridge	Bolivia	132.20
Construction of the Monteagudo-Muyupampa-Ipati Road, Incahuasi Tunnel and Fisculco Bridge	Bolivia	79.60
Construction of the Villa Granado (km. 30) Puente Taperas-La Palizada Road	Bolivia	75.00
Construction of the Caracollo-Colquiri Road	Bolivia	21.30
Construction of the Yucama-San Borja Road	Bolivia	62.90
Environmental program and optimizing road of Municipality of Sorocaba	Brazil	70.00
Program of development of infrastructure and basic services of Caxias do Sul II	Brazil	50.00
Sustainable Ocean Region – PRO-SUSTENTABLE	Brazil	100.00
Program of recovery and expansion of the infrastructure and tourist activities in Fortaleza - PROVATUR	Brazil	83.30
Supplemental works in “Via de Integracion de los Valles”	Ecuador	26.70
Project of improvement of roads and bridges in rural areas through the intensive use of local labor in the Eastern Region	Paraguay	50.00
Construction of line 2 and branch Av. Faucett-Av. Gambetta, basic network of the Metro in Lima and Callao	Peru	150.00
Start up and implementation of the Railway Operator “Servicios Logísticos Ferroviarios S.A. – SeLF”	Uruguay	45.00

## European Bank for Reconstruction and Development

PROJECT	COUNTRY	EBRD financing (\$ million)
Armenia International Airport Phase II	Armenia	35.40
Belarus Rolling Stock Project	Belarus	11.70
Banja Luka to Dobož Road	Bosnia and Herzegovina	38.90
Lviv Public Transport Financing Project - restructuring	Bulgaria	13.33
Lviv Road Rehabilitation and Modernisation Project	Bulgaria	28.89
Plovdiv Road Rehabilitation Project	Bulgaria	15.80
Port of Split Infrastructure Rehabilitation Project	Croatia	6.20
Sisak Urban Transport	Croatia	5.00
Egyptian National Railways Restructuring	Egypt	140.00
National Roads Programme	FYR Macedonia	82.20
Rail Corridor VIII - Second Phase	FYR Macedonia	161.10
DLF Georgia Logistics Terminal	Georgia	0.80
Circle Maritime Invest (CMI)	Kazakhstan	7.90
Eastcomtrans loan - Acquisition rolling stock	Kazakhstan	49.10
National Rail Company Local Currency Loan - Acquisition vessels	Kazakhstan	147.70
Olzha loan II - Acquisition rolling stock	Kazakhstan	8.00
Osh Public Transport Project	Kyrgyz Republic	6.33
Baltic Transshipment Port	Lithuania	36.11
Moldova Roads Rehabilitation IV	Moldova	44.40
Moldovan Railways Fleet Renewal	Moldova	27.80
DCT Gdansk expansion	Poland	34.50
Galati Urban Infrastructure Rehabilitation	Romania	24.78
Pitesti Urban Public Transport	Romania	14.44
Sibiu Public Transport Project	Romania	5.33
Far Eastern Rail - Acquisition rolling stock	Russian Federation	86.40
Lorry Cargo Transportation	Russian Federation	22.20
Sava River Crossing	Serbia	68.40
Tajik Road Maintenance Equipment	Tajikistan	2.30
Dalaman Airport	Turkey	98.04
Ekol Ro-Ro Project	Turkey	62.30
Istanbul Ferries Privatization	Turkey	111.76
Izmir Metro Project	Turkey	42.78
Project Anatolia - Airport	Turkey	15.50
Euroterminal Odessa Project	Ukraine	9.80
Pan-European Road Corridors	Ukraine	222.20
Ukrelevatortrans (UET) - Port of Odessa Transshipment	Ukraine	50.60

## European Investment Bank

PROJECT	COUNTRY	EIB financing (€ million)	EIB financing (\$ million equivalent)
Essential Aviation Safety Upgrade	Malawi	21.00	23.73
Airside Safety Works – Roberts Airport Monrovia	Liberia	22.00	24.86
Bosphorus Tunnel – Tranche B	Turkey	350.00	395.50
Laksam Akhaura Double Track Rail Project	Bangladesh	135.00	152.55
Road Rehabilitation and City Bypass	Montenegro	30.00	33.90
Corridor VC Pocitelj-Bijaca	Bosnia and Herzegovina	100.00	113.00
Vlore Bypass	Albania	24.00	27.12
PNG Rural Bridges	Papua New Guinea	420.00	474.60
Route 10 Rail Rehabilitation	Kosovo	80.00	90.40
Zenata Urban Development Project	Morocco	8.00	9.00
Warsaw Airport Upgrade Ten-T	Poland	130.00	146.90
Krakow Tramway II	Poland	22.00	24.86
Lodz Urban Infrastructure	Poland	96.00	108.48
Gysev Modernisation	Hungary	40.00	45.20
Cohesion Fund FL III Phasing Rail Investments	Hungary	185.00	209.05
Sofia Transport Fleet Renewal	Bulgaria	40.00	45.20
Septemvri-Plovdiv Rail (FL 20060411)	Bulgaria	53.00	60.00
PLK E75 Rail Baltica Warszawa-Sadowne	Poland	214.00	241.80
Krakow Tramway Infrastructure (FL 20110202)	Poland	31.00	35.00
PLK Rail Network Quality and Safety Improvement	Poland	200.00	226.00
A1 Motorway (Pyrzowice-Czestochowa)	Poland	300.00	339.00
S17 Expressway (Warsaw-Lublin)	Poland	415.00	468.95
Warsaw Municipal Infrastructure IV	Poland	241.00	272.33
Sofia Northern Speed Tangent (FWL 20060411)	Bulgaria	16.00	18.08
S8 Expressway Warsaw Approaches	Poland	215.00	242.95
Poland Road Modernisation	Poland	550.00	621.50

## Inter-American Development Bank

PROJECT	COUNTRY	IADB financing (\$ million)
Institutional Strengthening and Reform of the Transport Sector	Haiti	12.00
PBP Program Sector Reforms Transportation	Bolivia	106.00
Support for Transport Sector in Haiti IV	Haiti	50.00
Sao Paulo State Road Investment Program II	Brazil	480.10
Fortaleza Urban Transportation Program II	Brazil	57.90
George Price Highway Rehabilitation	Belize	27.00
Road Connectivity Project Costa Atlantica	Nicaragua	61.50
Rural Roads Program	Paraguay	100.00
Yucumo – San Ignacio de Moxos Road Segment	Bolivia	185.50
Road Program for Logistics and Integration – Ceará IV (C)	Brazil	200.00
Line 2 and 4, Lima Metro	Peru	300.00
Program for the pavement of the road from San Juan Nepomuceno to Route N°6	Paraguay	105.00
Low Carbon Urban Mobility for Big Cities in Brazil	Brazil	6.00

Note: The list above includes all approved projects in 2014 with transport as primary sector. Excludes multi-sector projects with transport components, private sector operations, and information and communication technology (ICT) projects.

## Islamic Development Bank

PROJECT	COUNTRY	IsDB financing (\$ million)
Upgrading and Reconstruction of Ujar-Zardab-Agjabadi Road	Azerbaijan	224.42
Construction of -Keremou-Banikoara Burkina Faso Border Road	Benin	46.90
Upgrading of the Dedougou-Tougou Road Project	Burkina Faso	57.62
Upgrading of Kantchari-Diapaga-Benin Border Road Project	Burkina Faso	84.40
Olama-Kribi Road Project - Construction of Olama-Bingambo Section	Cameroon	183.58
Trans-Saharan Road Project (Construction of Bol-Rig Rig Section)	Chad	117.82
Development of Sharm El Sheikh Int'l Airport (Phase II) Project	Egypt	230.20
Development of Sharm El Sheikh Int'l Airport (Phase I) Project	Egypt	226.80
Construction of the Southern Coastal Highway (Phase V) Project	Lebanon	26.70
The Northern Highway Project (Tripoli Eastern Ring Road)	Lebanon	69.50
Completion of the Expansion and Modernization of the Bamako-Sénou International Airport Project	Mali	11.00
Construction of Sanam-Tebaram Road Project	Niger	40.41
TA Loan for Development of Regional Railway Loop [Niger, Cote d'Ivoire, Benin and Burkina Faso]	Niger	6.00
Upgrading of Muyembe-Nakapiripirit Road Project	Uganda	110.00
Construction of the Kushar Washha Road Project	Yemen	20.00

Note: The list above includes all approved loans and Istisna'a operations serving 14 projects in 2014 with transport as primary sector. Excludes multi-sector projects with transport components, private sector operations, and information and communication technology (ICT) projects.

## World Bank

PROJECT	COUNTRY/REGION	WB (IBRD/IDA) financing (\$ million)
Regional Trade Facilitation and Competitiveness DPO	Africa	70.00
EA Regional Transport, Trade and Development Facilitation	Africa	465.00
Results-based Road Maintenance and Safety Project	Albania	80.00
Second Rural Investment Project Additional Financing	Azerbaijan	16.50
Multipurpose Disaster Shelter Project	Bangladesh	37.50
Transit Corridor Improvement Project	Belarus	250.00
Climate Resilient Infrastructure	Belize	13.50
Burundi - Infrastructure Resilience Emergency Project	Burundi	10.00
Cape Verde Ninth Poverty Reduction Support Credit	Cabo Verde	2.00
Agriculture Investment and Market Development Project	Cameroon	21.00
Central Asia Road Links - Tajikistan	Central Asia	45.00
Zhengzhou Urban Rail Project	China, People's Republic of	250.00
Yunnan Highway Asset Management Project	China, People's Republic of	150.00
China: Gansu Rural-Urban Integration Project	China, People's Republic of	150.00
Huainan Mining Area Rehabilitation Project	China, People's Republic of	7.00
Shaanxi Small Towns Infrastructure Project	China, People's Republic of	73.50
Sichuan Chongqing Cooperation: Guang'an Demonstration Area I	China, People's Republic of	55.00
Second Programmatic Productive & Sustainable Cities Development	Colombia	350.00
DRC - Goma Airport Safety Improvement Project	Congo, Democratic Republic of	52.00
Sustainable Croatian Railways in Europe	Croatia	183.40
Southern Africa Trade and Transport Facilitation Program	Eastern Africa	52.44
Ethiopia - Expressway Development Support Project	Ethiopia	370.00
Transport Infrastructure Investment Project	Fiji	50.00
Second Regional and Municipal Infrastructure Development	Georgia	9.00
Third Secondary and Local Roads Project	Georgia	75.00
Ghana Transport Sector Project - AF	Ghana	25.00
Guinea Agricultural Support Project	Guinea	2.25
Second Tamil Nadu Road Sector Project	India	300.00
National Cyclone Risk Mitigation Project-II	India	117.19
Eastern Dedicated Freight Corridor-3	India	650.00
Andhra Pradesh Disaster Recovery Project	India	87.50
Jhelum and Tawi Flood Recovery Project	India	80.00
Kiribati Road Rehabilitation Project Additional Financing	Kiribati	6.00
National and Regional Roads Rehabilitation	Macedonia, former Yugoslav Republic	70.98
Integrated Growth Poles and Corridor Project 2	Madagascar	6.00
Malawi Floods Emergency Recovery	Malawi	16.00
Second Climate Change DPO	Mozambique	7.00
MZ-Additional Financing for Roads and Bridges Management	Mozambique	73.60
Ayeyarwady Integrated River Basin Management Project	Myanmar	19.00
National Community Driven Development Project	Myanmar	68.00
Cebu Bus Rapid Transit Project	Philippines	116.00
Philippine Rural Development Project	Philippines	95.24
Dar es Salaam Metropolitan Development Project	Tanzania	147.00
Turkey Sustaining Shared Growth DPL	Turkey	50.00
Pap-Angren Railway	Uzbekistan	175.50
Regional Roads Development Project	Uzbekistan	200.00
Vanuatu Aviation Investment Project	Vanuatu	59.50
Ho Chi Minh City Green Transport Development	Viet Nam	124.00
RY: AF-Labor Intensive Public Works	Yemen, Republic of	10.00

Note: The list above includes all projects with a transport sector component financed by IBRD/IDA. Where multi-sector projects are included, listed commitment amounts include only transport components. For more information on the WB's transport projects, visit: <http://www.worldbank.org/en/topic/transport>