

# 12<sup>th</sup> UIC Sustainability Conference



## The \$175 Billion for Sustainable Transport at Rio+20

What Opportunities for the Railway Sector ?

*Marc H. Juhel*  
*Sector Manager Transport*  
*The World Bank*



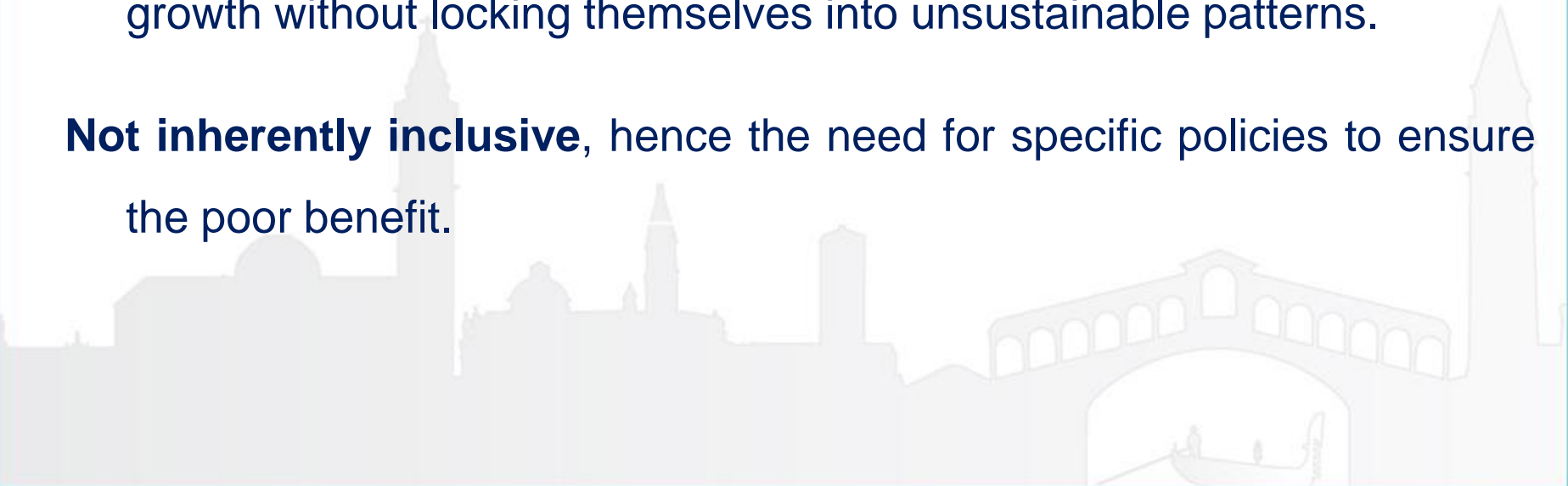
# Green growth is...



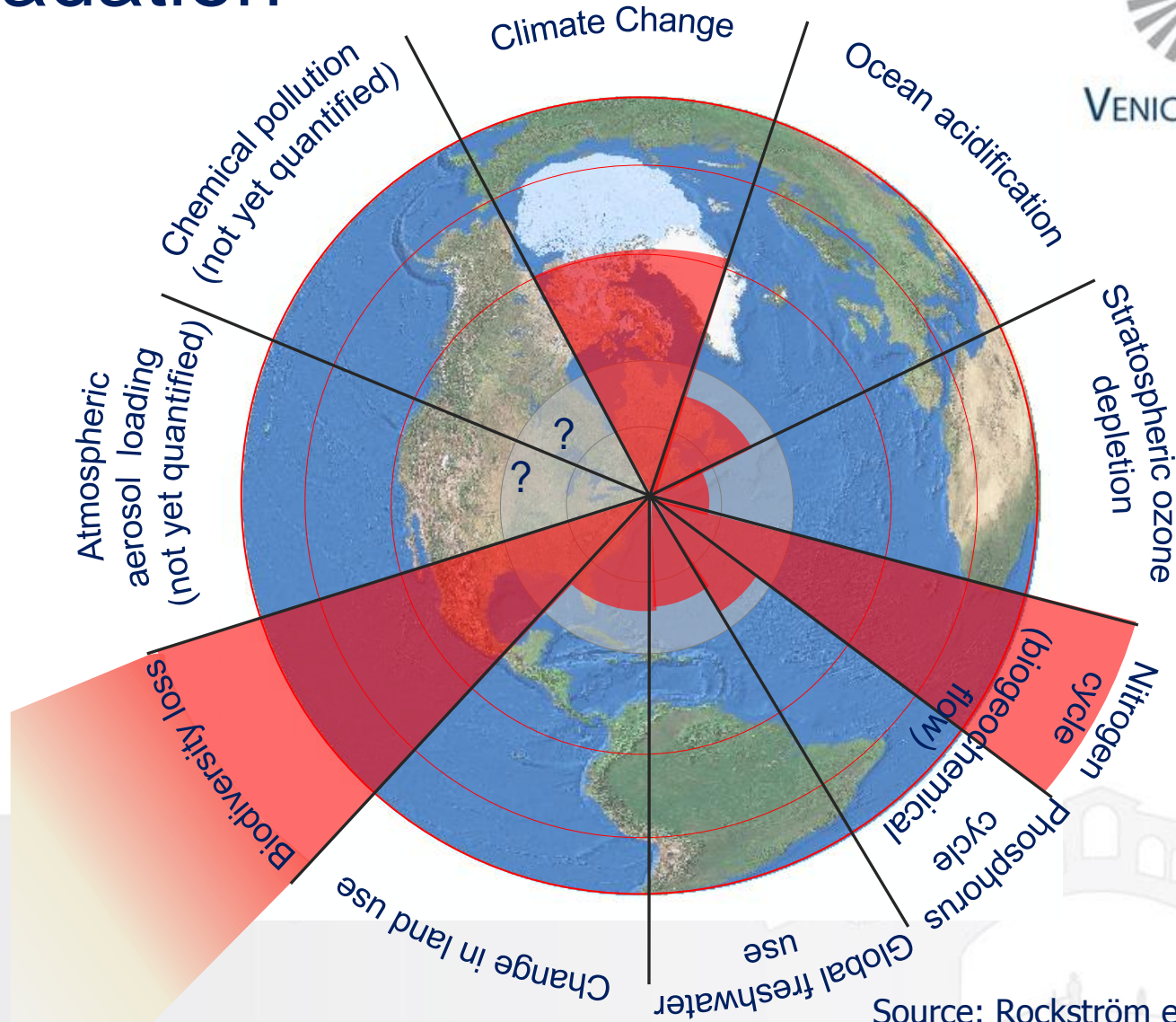
...**economic growth that is environmentally sustainable.**

Not a new paradigm, but **aims to operationalize sustainable development** by enabling developing countries to achieve robust growth without locking themselves into unsustainable patterns.

**Not inherently inclusive**, hence the need for specific policies to ensure the poor benefit.

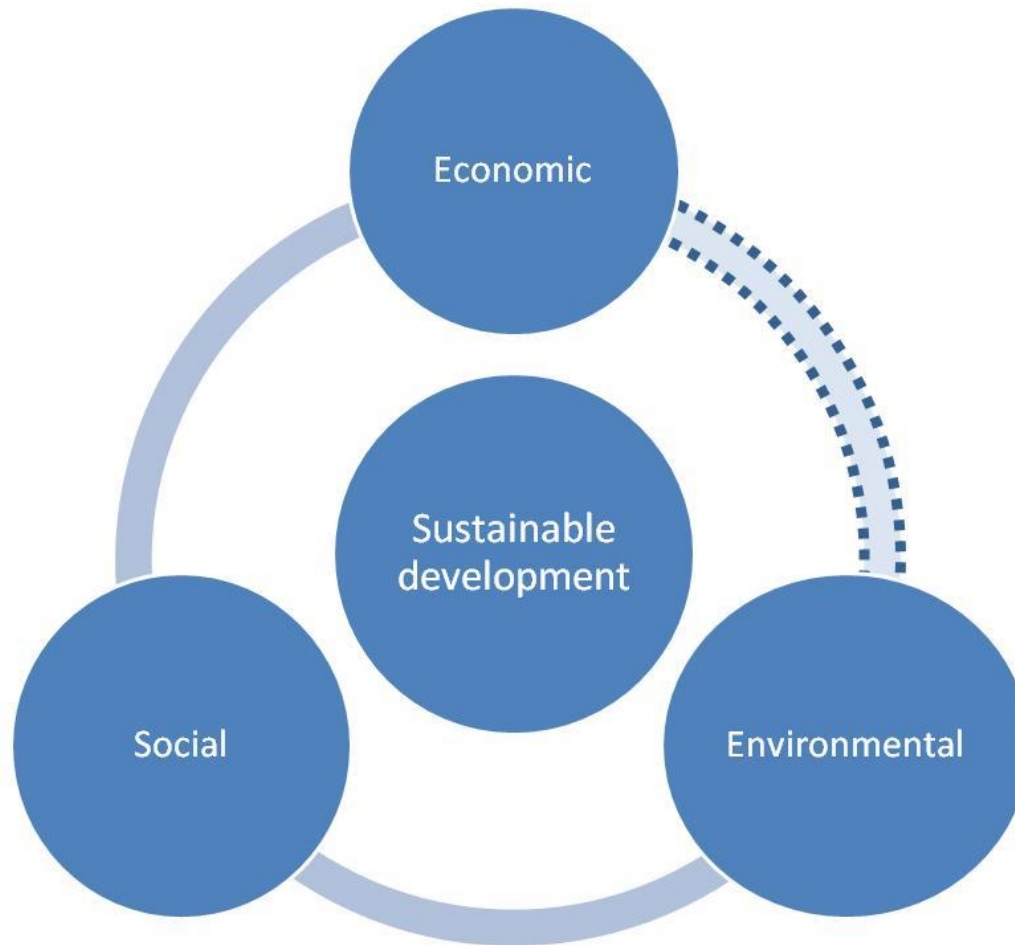


# Environmental: General degradation



Source: Rockström et al., *Nature* (2009)

# Making development sustainable requires greening growth



# Global Dynamics



## “The Future We Want” for Transport

“We note that **transportation and mobility are central** to sustainable development...

...We take into account **road safety** as a part of our efforts to achieve sustainable development...

...We support the development of sustainable transport systems, ..., **notably public mass transportation systems...**”



# Global Dynamics



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**Context for establishing a new set of Sustainable Development Goals**

# Global Dynamics



## Joint statement on Sustainable Transport of all Multilateral Development Banks

### Key Reasons

- *Inadequate transport* → persistence of poverty and inequality
- *Limited attention to transport-related GHG emissions*
- *Motorization and lack of road safety* → road crash fatalities & injuries

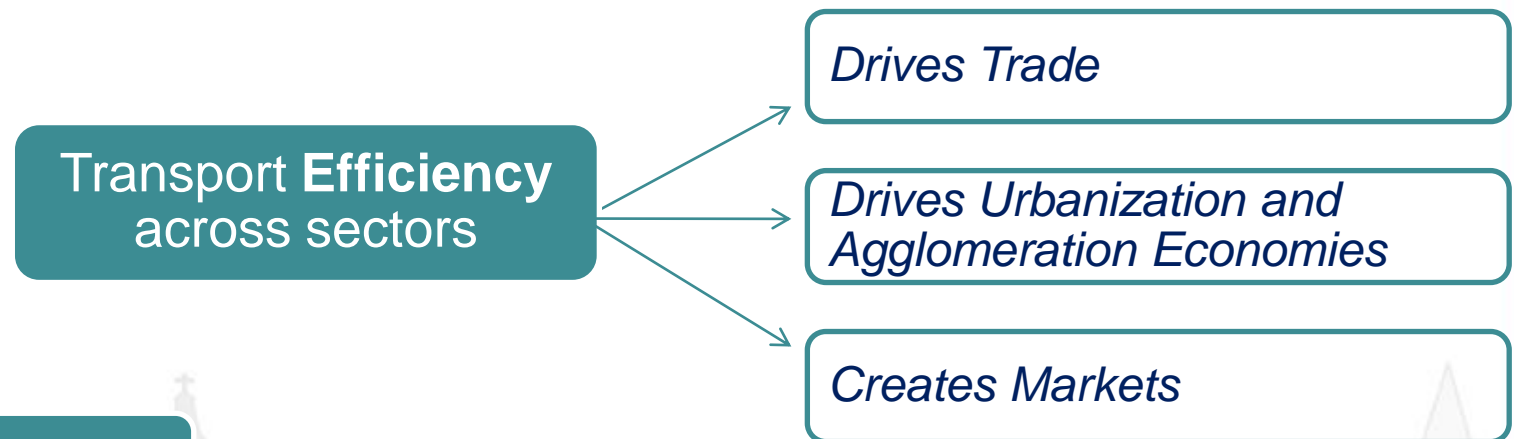
### Key Messages

- *Adopt sustainable transport as a priority sectoral focus*
- *Have Transport formally recognized as a main contributor towards a possible broader goal*
- *MDBs expected to provide \$175 billion for transport in developing countries*

# Sustainable Transport in the Bank



## Transport's contribution to Inclusive Green Growth

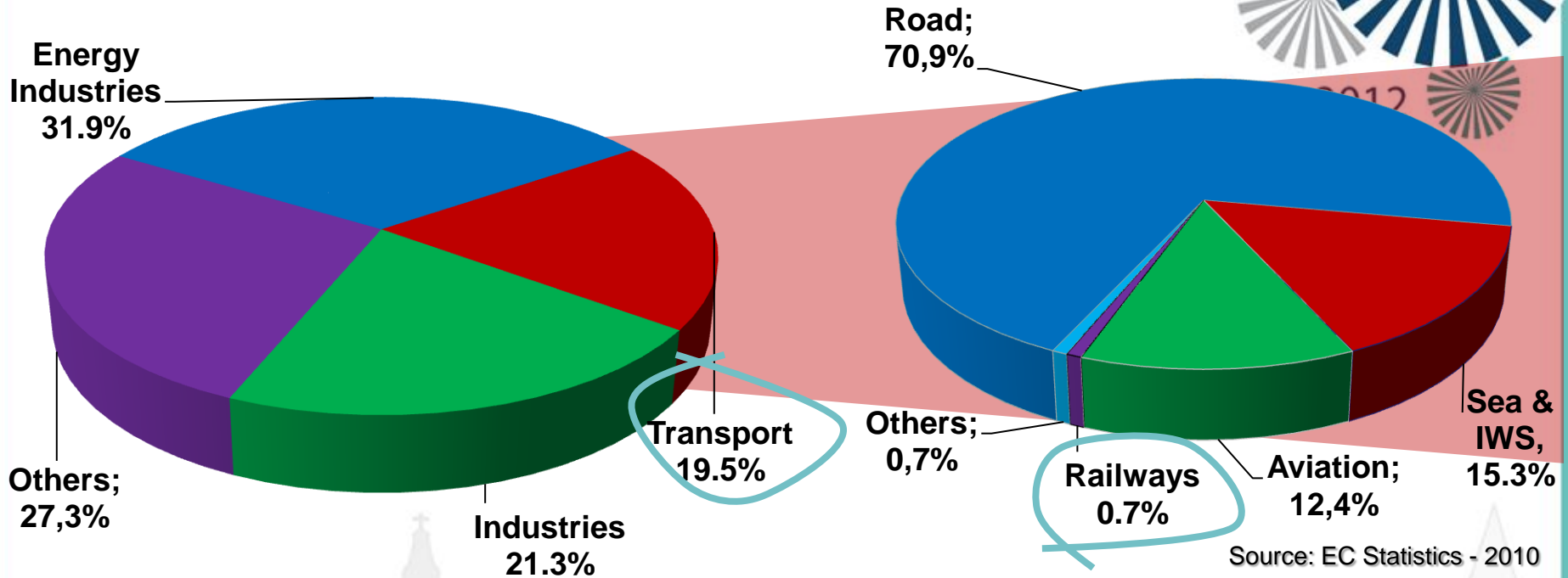


### Key Messages

- *Minimize social costs of Transport as a driver for growth*
- *Have a Comprehensive view*
  - *consider all external costs*
  - *consider irreversibility aspect of the Development Path*
  - *consider historical experience (behavior change)*

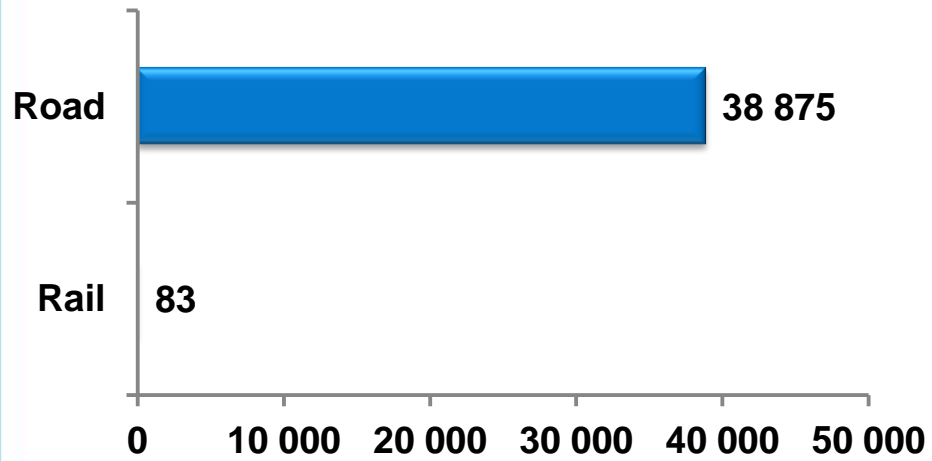


# Railways are Green

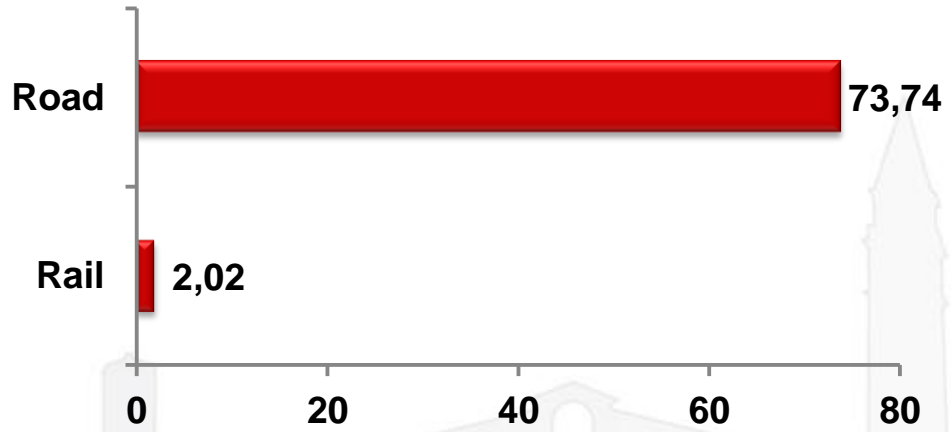


- US Freight Railways move a ton of freight 480 miles per gallon (four times more fuel efficient than trucks, on average).
- One train does the work of 280 or more trucks.

# Railways are Safe



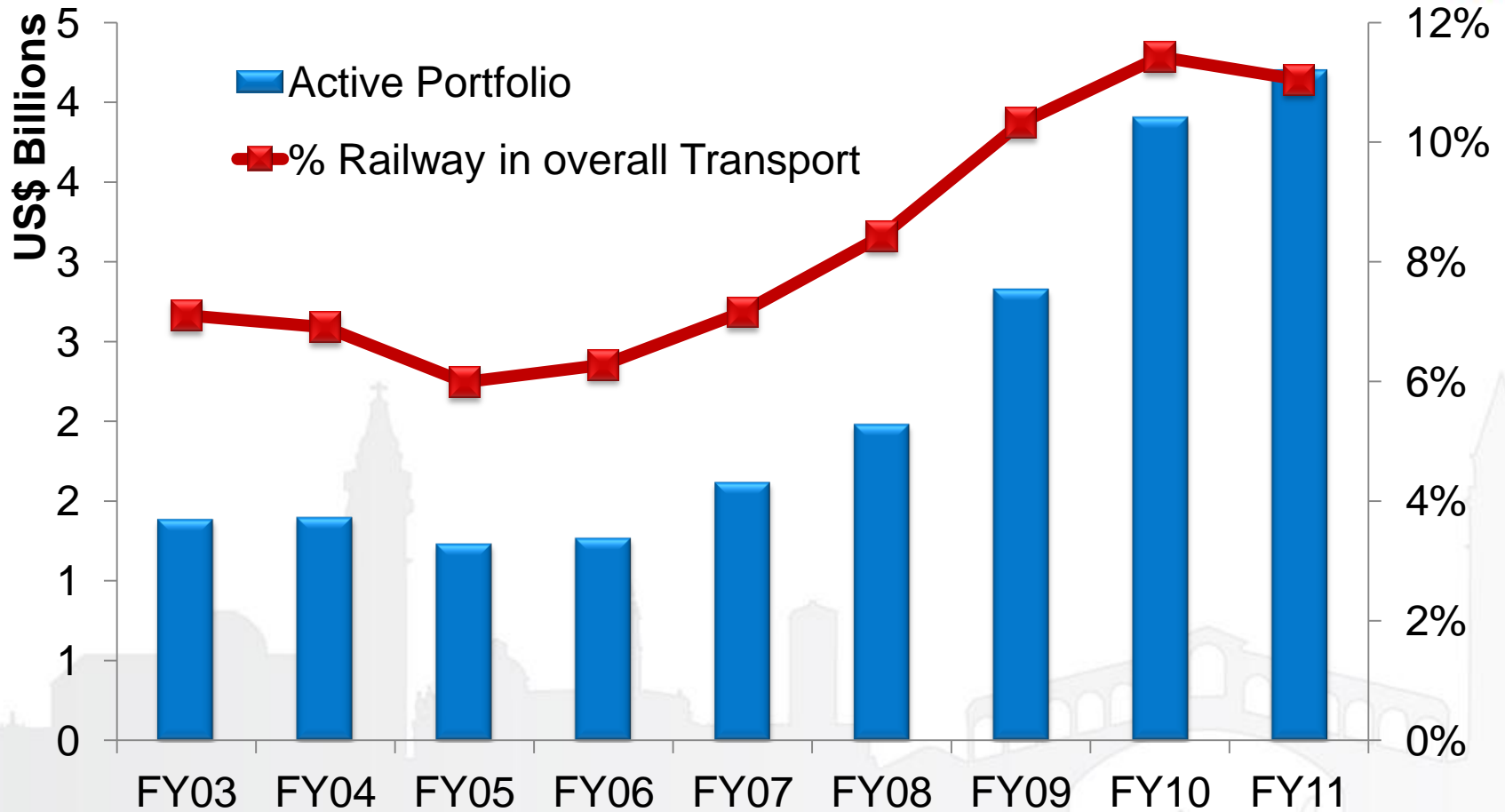
■ Total Number of Fatalities



■ Fatalities/10 Billion Pass-km

Source: EC Statistics - 2010

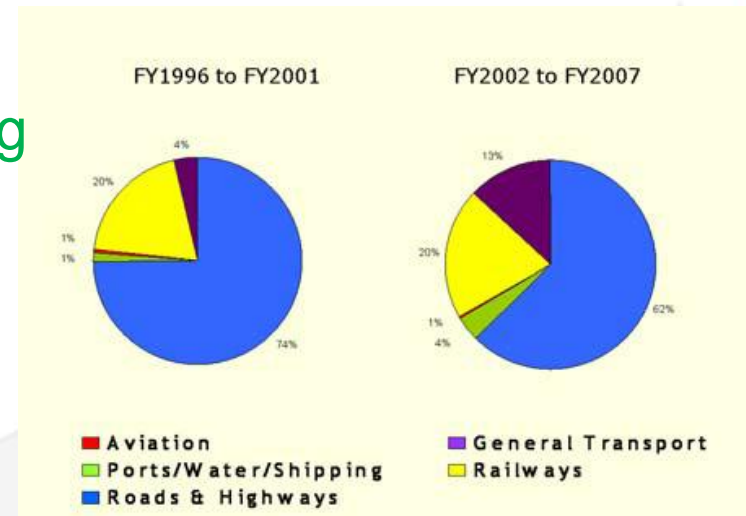
# Increasing Railways Portfolio in the World Bank



# Increasing Railways Portfolio in the World Bank



- World Bank is the largest multilateral provider of Aid for Trade  
New trade-related lending = \$3.2 billion in FY12
- Over two-thirds of Country Assistance Strategies include logistics, trade or trade-related activities
- Share of World Bank's portfolio stock for trade and integration:  
3 % in FY01 → 7.4 % in FY12Q1
- **Transport = 15 to 20 % of Bank lending**
- Increasingly diversified
  - More Rail
  - More Ports
  - More Multi-modal

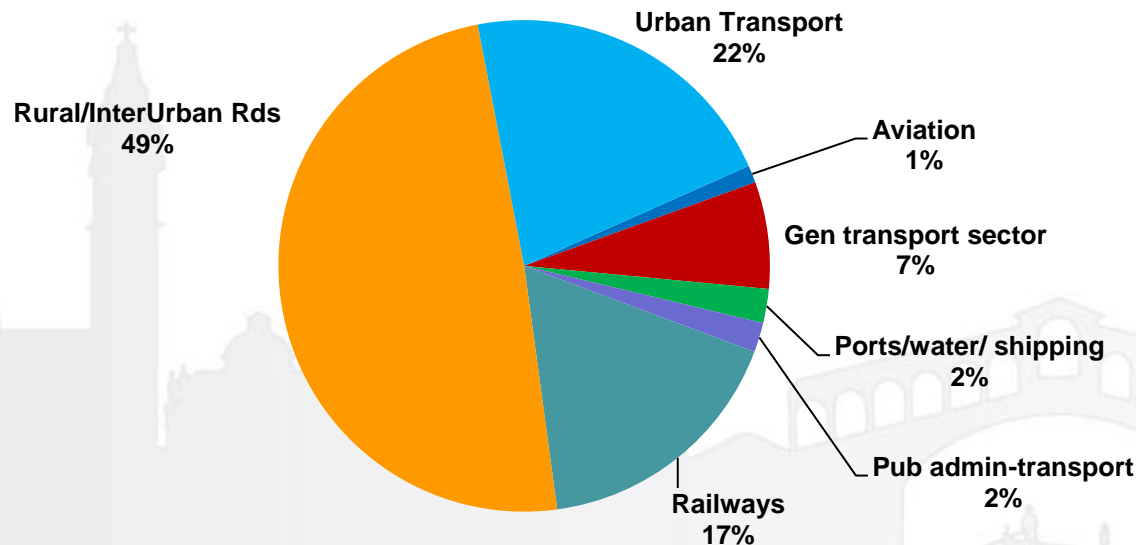


# Lending trends by Subsectors



- Urban Transport growing - from 10% (\$893 m) in FY11 to 22% (\$973 m) in FY12
- Rural and Inter - Urban Roads declining - from 61% in FY11 to 49% in FY12, still remains largest sub - sector

FY12 Transport Lending by Sub Sector



# Examples of Recent Railway Projects



## Investment

- Turkey
- FYROM
- Bulgaria
- Azerbaijan
- Egypt
- India
- China

## Institutional Development

- Bulgaria
- Croatia

## Analytical & Advisory Services

- Serbia (grant)
- Poland
- Bulgaria
- Belarus
- China

## Reimbursable Technical Assistance

- Saudi Arabia
- Gulf Cooperation Council
- Romania

**Supporting the client during the whole duration of projects**

# Partnerships for Railways Development



- The World Bank is based on partnerships with:
  - Governments
  - Other donors (IFI's, Trust Funds, UN)
  - Professional organizations, NGO's
- MoU with UIC for collaboration on Railways:
  - Using railway expertise (UIC Leaflets, UIC Documentation Center, Technical Departments, Institutional Relations Department)
  - Sharing studies and research documents
  - Participation at International Seminars (WB Transport Forum, UIC Conferences)
  - Exchange of information on best practices for maintenance and operations in railways
  - Training sessions for Railways (business oriented approach of rail activities, new technologies, multi-disciplinary cadres)



**Thank you for your kind attention!**

