

**Project Summary Information**

Date of Document Preparation: October 25, 2021	
<b>Program Name</b>	Egypt: Alexandria – Abou Qir Metro Line
<b>Document Code</b>	P000207
<b>AIIB Member</b>	Arab Republic of Egypt
<b>Sector/Subsector</b>	Transport/Metro Rail
<b>Status of Financing</b>	Under Preparation
<b>Project Description</b>	The proposed project is to upgrade and electrify the existing Alexandria-Abou Qir rail line into efficient, safe, and low carbon metro rail system. AIIB will jointly co-finance with the European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), and Agence Française de Développement (AFD). Specifically, the project supports the following activities: (1) civil works for the upgrade and electrification of the metro line including a depot; (2) metro rail systems including signaling, telecommunication, centralized control system, and safety measures; (3) rolling stock to be operated on the metro system; and (4) project management and construction supervision. There will be 20 modern metro stations along the 22 km corridor, 13 stations and 13.5 km of which will be elevated.
<b>Objective</b>	The project aims to increase access to efficient, safe, and low carbon public transport in the city of Alexandria by upgrading and electrifying the existing Alexandria-Abou Qir rail line.
<b>Expected Results</b>	The project expected results include savings of travel time by the metro passengers, reduction of road safety and mobility risks, lower greenhouse gas (GHG) emissions from replacing diesel-run rail line with the electric metro system and modal shift from high carbon intensity mode of transportation to the low carbon metro system. Specific annual outcome indicators may include number of passengers served, average travel time per trip per passenger, incident of accidents, and when possible, the data will be disaggregated by gender.
<b>Environmental and Social Category</b>	The project has been assigned Category A as per EBRD's ESP, which is equivalent to Category A of AIIB's ESP.
<b>Environmental and Social Information</b>	The project will be co-financed with the EBRD as lead co-financier, and the project's environmental and social (ES) risks and impacts have been assessed in accordance with EBRD's Environmental and Social Policy (EBRD's ESP) and related Performance Requirements (PRs). To ensure a harmonized approach to addressing the ES risks and impacts of the project, and as permitted under AIIB's Environmental and Social Policy (AIIB's ESP), EBRD's ESP and relevant PRs will apply to the project in lieu of AIIB's ESP. AIIB has reviewed the EBRD's ESP and PRs and is satisfied that: (a) they are consistent with AIIB's

Articles of Agreement and materially consistent with the provisions of AIIB's ESP, including AIIB's Environmental and Social Exclusion List (ESEL) and the relevant Environmental and Social Standards (ESSs); and (b) the monitoring procedures that are in place are appropriate for the project. EBRD has categorized the ES risks of the project as Category A (which is equivalent to Category A if AIIB's ESP were applicable).

An ESIA has been prepared in accordance with the EBRD Performance Requirements ("PRs") and disclosed in English and Arabic in line with the EBRD's Directive on Access to Information. A Resettlement Framework ("RF") and associated Guide to Land Acquisition and Compensation has been developed to inform mitigation, compensation and livelihood restoration measures in line with national law and lender requirements. Detailed compensation, assistance and livelihood restoration measures will be developed once the final design is completed and will be included in a detailed Resettlement Action Plan ("RAP").

The Project involves the upgrade and electrification of the 22km existing rail line connecting downtown Alexandria (Misr Station in the west) and the north-eastern town Abou Qir into the first high-capacity metro system in this coastal city. The construction and operation will have significant ES impacts such as noise and vibration, traffic disruption, including impacts related to physical and economic displacements. Noise and vibration impacts will be managed in line with the national and international standards and with good practice mitigation measures such as noise barriers and restriction on working times.

The Project is expected to contribute to climate change mitigation result in terms on GHG emission reduction of approximately 260,000 tons of CO<sub>2</sub> equivalent per annum. As Alexandria is located along the Mediterranean coast which is vulnerable to climate induced flood, storm surge, and sea-level rise, the Project will have an appropriate drainage system to protect the site against potential flooding from a 1 in 100-year storm recurrence event.

The alignment of the Project is within the current railway corridor, owned by the Egyptian National Railways (ENR) and it is anticipated that all construction works will take place on ENR land, except for additional land needed for a depot and the new stations at Bab Sharq and Sporting. A ministerial decision was issued in 2020 transferring the ownership of land required to develop the Project to the National Authority of Tunnels (NAT), excluding the lands for Bab Sharq and Sporting stations as the final designs and the exact locations are not finalized. The area required for the depot is owned by the Al Nahass Company.. The transfer of ownership from AL Nahass to NAT is based on a willing buyer – willing seller transaction.

As Alexandria is an ancient and culturally rich city, the potential for archaeological chance finds is high during excavation works along the existing line to erect the viaducts. The Ministry of Antiquities has already been consulted and further coordination will take place prior to Project mobilization. A chance find procedure will be included in the Environmental and Social Management Plan and training of personnel will be undertaken prior to construction commencing.

	<p>Consultations were carried out from November 2020 to January 2021, as part of the ESIA process. Throughout the various consultation and engagement activities, concerns/ feedback of the community and the governmental stakeholders towards the proposed project were documented and made part of the report.</p> <p>NAT has a grievance mechanism in place which has multiple channels of receiving feedback and is accessible to the public. This will serve as the GRM of the project. The GRM is extended to communities, all workers onsite, including permanent workers, casual workers, service providers, consultants, suppliers, subcontractors and external stakeholders, accessible to all workers.</p>		
<b>Cost &amp; Financing Plan</b>	<p>The total project cost is estimated at EUR 1,614 million (exclusive of EUR 1.7 million of EBRD Technical Cooperation Fund). The project costs are the allocation by project components and co-financiers are listed here:</p> <p>Total Project cost: EUR 1,615.7 million</p> <p><u>Financing Plan</u>: AIIB loan: EUR 250 million; EBRD loan: EUR 250 million; EIB loan: EUR 750 million; AFD loan: EUR 250 million, Govt of Egypt: EUR 114 million, and Technical Assistant Grant (EBRD): EUR 1.7 million</p>		
<b>Borrower</b>	Arab Republic of Egypt		
<b>Implementing Entity</b>	National Authority of Tunnels (NAT), Ministry of Transport		
<b>Estimate date of loan Closing</b>	June 30, 2026		
<b>Contact Points:</b>	<b>Asian Infrastructure Investment Bank</b>	<b>European Bank for Reconstruction and Development</b>	<b>National Authority of Tunnels</b>
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<b>Date of Concept Decision</b>	October 20, 2021		
<b>Date of Appraisal Decision</b>	December 2021		

<b>Date of Financing Approval</b>	Q1/2022
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<b>Independent Accountability Mechanism</b>	Pursuant to AIIB's agreement with EBRD, EBRD's independent accountability mechanism, the Independent Project Accountability Mechanism (IPAM), will review, in accordance with its Project Accountability Policy, all requests relating to environmental and social issues that may arise under the Project. Consequently, in accordance with AIIB's Policy on the Project-affected People's Mechanism (PPM), submissions to the PPM under the Project will not be eligible for consideration by the PPM. Information on EBRD's IPAM is available at <a href="https://www.ebrd.com/project-finance/ipam.html">https://www.ebrd.com/project-finance/ipam.html</a> .
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