Early Warning System

EBRD-56767

INRAIL Istanbul North Rail Crossing Project

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Quick Facts

Countries	Turkiye
Specific Location	Istanbul Metropolitan Area
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Bank Risk Rating	A
Voting Date	2026-10-21
Borrower	Government of Turkiye
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	$ 573.42 million
Loan Amount (USD)	$ 573.42 million
Project Cost (USD)	$ 8,944.28 million

Project Description

As stated by the EBRD, the project consists of a sovereign loan of up to EUR 500 million to the Republic of Turkiye. The Project will be implemented through the General Directorate of Infrastructure Investments (AYGM). The loan proceeds will be utilised to finance the construction of 127 km greenfield railway line that will serve as a bypass of the Istanbul Metropolitan Area and provide a high-capacity overland crossing across the Bosphorus. The proposed railway line will start at the Cayirova station on the Asian side and end at the Catalca station on the European side, crossing the Bosphorus Strait using the existing track space allocated for this purpose on the Yavuz Sultan Selim Bridge, also known as the Third Bridge, at the Bosphorus' northern end. The line will be double-tracked, electrified, fully signalized, and mixed-used, designed to carry passengers and freight.

The Project provides an integral missing link for the three international rail-served trade corridors crossing Istanbul:

(i) the Trans-Caspian Middle Corridor linking China and Central Asia with the rest of Europe via rail and short-sea shipping connections;
(ii) the Iraq Development Road corridor, which would link Asia and the European Union via the Middle East and Turkiye by rail; and
(iii) the Turkiye-EU corridor, which accounts for a third of Turkiye's international trade.

The Project aims to:

(a) enhance the resilience, efficiency, and competitiveness of Turkiye's national logistics network;
(b) significantly boost rail freight capacity and increase rail modal share;
(c) set the enabling conditions to attract private sector investment and to foster innovation in logistics services; and
(d) increase the accessibility of Istanbul Airport (IST) on the European side and Sabiha Gokcen Airport (SAW) on the Asian side by linking them to the rail network.

The Project will be co-financed by the World Bank, Asian Infrastructure Investment Bank, Islamic Development Bank, Asian Development Bank and OPEC Fund for International Development.

The Project involves the development of safe, sustainable, low-carbon passenger and freight rail transport across the Bosphorus. The Project would further facilitate international trade via a new high-speed railway line starting at the Cayirova station on the Asian side and ending at the Catalca station on the European side. It enhances Turkiye's connectivity to the European Union and other key international rail-served trade corridors.

The borrower will be the Republic of Turkiye represented by the Ministry of Treasury and Finance. The Project will be implemented through the General Directorate of Infrastructure Investments, operating under the Ministry of Transport and Infrastructure.

Early Warning System Project Analysis

The Project is categorised "A" in accordance with the EBRD Environmental and Social Policy (ESP) (2024) based on the length and scale of the railway alignment, the extensive use of tunnels and viaducts, and the environmental and social sensitivity of the Istanbul region.

Environmental and Social Issues:

The Project involves the construction of a new 127 km electrified, dual-track railway line between Cayirova and Catalca, crossing the Bosphorus via the rail-designated deck of the Yavuz Sultan Selim Bridge. Preliminary review indicates that key environmental and social issues include land acquisition and associated economic displacement, potential impacts on forested habitats and watercourses, cumulative impacts with the motorway corridor, noise and vibration effects, management of significant volumes of excavated spoil, hydrology and groundwater; community health and safety risks during construction, labour and working conditions for a sizeable construction workforce, climate resilience considerations, and potential impacts on cultural heritage. The use of tunnels and viaducts and the existing motorway corridor to some degree reduces the potential impacts, including those related to land acquisition and associated economic displacement and limited physical displacement is anticipated. The client prepared an ESIA that includes ESIA report, Stakeholder Engagement Plan, Resettlement Framework, Environmental and Social Management Plan - which assessed the E&S impacts and risks. The extent of these impacts and the adequacy of existing mitigation and planned management measures are being examined through a supplementary assessment being undertaken by EBRD.

Supplementary Assessment:

EBRD has appointed independent consultants to undertake a detailed review of the existing environmental and social documentation, including a Gap Analysis and supplementary biodiversity assessment, which will form part of a new disclosure package. This work will identify any additional studies, management measures or mitigation requirements needed to align the Project with the EBRD Environmental and Social Policy Environment and Social Requirements (ESR). The findings will inform the final Environmental and Social Action Plan (ESAP).

Information Disclosure and Stakeholder Engagement:

A Stakeholder Engagement Plan is being reviewed during EBRD's supplementary assessment against EBRD requirements. As this is a Category A Project, the ESIA package, including the Non-Technical Summary, supplementary assessments and ESAP, will be disclosed for a minimum of 120 days prior to Board consideration. Engagement with affected communities, local authorities and other stakeholders will continue throughout Project preparation.

Environmental and Social Action Plan:

An ESAP will be agreed with the client to address identified gaps and ensure compliance with the EBRD Environmental and Social Policy. Actions are expected to include measures related to biodiversity management, land acquisition and livelihood restoration, contractor management, community health and safety, monitoring and ongoing stakeholder engagement.

This PSD will be updated following the completion of the environmental and social due diligence.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

According to the EBRD, the total Project cost is estimated at EUR 7.799 billion (equivalent of USD 8.1 billion) for an approximately 127 km railway line.

World Bank, Asian Infrastructure Investment Bank, Islamic Development Bank, Asian Development Bank and OPEC Fund for International Development are expected co-financiers.

Contact Information

Borrower - Government of Turkiye:

Enver MAMUR - Deputy General Director of Infrastructure Investments
Email: enver.mamur@uab.gov.tr
Phone: +90 0312 203 10 00
Website: https://aygm.uab.gov.tr/
Address: Hakki Turaylic Cad. No:5 06338 Emek/Cankaya/ANKARA

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html

Bank Documents

- PSD Translation (Turkish)

Other Related Projects

- AIIB-000998 Turkiye: Istanbul North Rail Crossing Project - Phase I
- ADB-59346-001 Istanbul North Rail Crossing Project (INRAIL)-FMRF