

Project Summary Information

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Project Name	Alexandria- Abu Qir Metro Line Project (Egypt)
Project Number	P000207
AIIB member	Arab Republic of Egypt
Sector/Subsector	Transport / Urban Transport
Status of Financing	Approved
Project Description	<p>The project will provide co-financing resources together with the European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), and Agence Française de Développement (AFD) to upgrade and electrify the existing Alexandria-Abou Qir rail line into efficient, safe, and low carbon metro system. Specifically, the project supports the following activities:</p> <p>(1) civil works for the upgrade and electrification of the metro line including a depot;</p> <p>(2) metro systems including signaling, telecommunication, centralized control system, and safety measures;</p> <p>(3) rolling stock to be operated on the metro system; and</p> <p>(4) project management and construction supervision.</p> <p>There will be 20 modern metro stations along the 22 km corridor, 16 km of which will be elevated. The GOE will finance necessary enabling works, land acquisition, compensation to Project Affected People, as well as contingency expenses.</p>
Objective	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.
Expected Results	The project's expected results include increased ridership, travel time savings by the metro passengers, lowered greenhouse gas (GHG) emissions from replacing diesel-run rail line with the electric metro system and modal shift from high carbon intensive mode of transportation, i.e., automobile system to the low carbon metro system. Specific annual outcome indicators including number of passengers served, average headway, GHG emission reduction. The data will be disaggregated by gender when possible.
Environmental and Social Category	EBRD Category A (equivalent to AIIB's Category A)
Environmental and Social Information	As EBRD serves as a 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. The risks and impacts of this project are

significant considering that it is being carried out in a dense urban space, hence EBRD has categorized the ES risks of the project as Category A (which is equivalent to Category A if AIIB's ESP were applicable).

A comprehensive 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 are included in a Resettlement Action Plan ("RAP") which has been disclosed from AIIB's website.

The Project involves the upgrade and electrification of the 22-kilometer existing rail line connecting downtown Alexandria (Misr Station in the west, Abou Qir station) and the north-eastern town Abou Qir into the first high-capacity metro system in this coastal city. The main ES impacts are noise and vibration, traffic disruption, including impacts related to physical and economic displacements. The baseline noise and vibration study as well as the potential noise and vibration impacts have been comprehensively analyzed and included in the ESIA. Prevention and mitigation measures with respects to the potential noise and vibration impacts such as noise barriers and restriction on working times have been identified and included in the Environmental and Social Management Plan (ESMP) that was disclosed together with the ESIA which can be found at <https://www.ebrd.com/work-with-us/projects/esia/grcf2w2-alexandria-metro.html>. Risks due to site contamination of the depot site has been assessed through a site assessment. Site remediation/management will be undertaken before construction of depot facilities. As Alexandria is an ancient and culturally rich city chance find procedure has also been included as part of the ESMP.

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 two 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. Ministerial decrees were issued and published in the Official Gazette in 2020 and 2021 specifying necessary area for land acquisition for the Project. The Alexandria Survey Directorate (ASD) has completed the land valuation for all required land and the project implementing entity, the National Authority of Tunnels has deposited the required compensation with the ASD for the depot land.

As part of the ESIA process, meaningful stakeholder consultation was carried out from November 2020 to January 2021. Additional stakeholder engagement with various categories of stakeholders including women and businesses were carried out during February – June 2022 as part of the preparation and finalization of the RP. The key findings of the public consultations have been documented in the ESIA and RP. The project is expected to carry out systematic Stakeholder Engagement throughout the project cycle and the RP includes a strategy for planned engagement activities. The ES documentation in English and summary in local language, have been disclosed by the NAT on its website and in hard copies in the Project areas. This documentation has also been disclosed on EBRD and AIIB websites.

NAT/PIU will be responsible to the project implementation monitoring and evaluation with support from the Construction Supervision Consultant and lender's supervisory support. PIU will prepare and provide consolidated project implementation progress report on a quarterly basis during construction period and then annual reporting to the lenders during the operation.

	NAT has an existing Grievance Redress Mechanism (GRM). This GRM is extended to community, all contracted workers onsite, including permanent workers, casual workers, service providers, consultants, suppliers, subcontractors, and external stakeholders, accessible to all workers. A Project level GRM will be established on two tiers (on-site and on the level of NAT Headquarters) prior to the start date of project construction. The information of project-level GRM will be disclosed in a timely manner, in the local language and in an appropriate manner.
Cost and Financing Plan	The total project cost is estimated at EUR 1,764 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: Total Project cost: EUR 1,764 million <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 264 million, and Technical Assistant Grant (EBRD): EUR 1.7 million
Borrower	Arab Republic of Egypt
Implementing Entity/Sponsor	National Authority for Tunnels / Ministry of Transport
Estimated date of loan closing	January 2028

Contact Points:	Asian Infrastructure Investment Bank	European Bank for Reconstruction and Development	National Authority of Tunnels
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Date of Concept Decision	October 20, 2021		
Date of Appraisal Decision	July 27, 2022		
Date of Financing Approval	December 22, 2022		

Independent Accountability Mechanism	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 https://www.ebrd.com/project-finance/ipam.html .
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