



**XXIV<sup>th</sup> WORLD  
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# SUSTAINABILITY TOOLKIT FOR TRANSPORT PROJECTS

**Marc Juhel**

- World Bank
- Sector Manager, Transport
- [mjuhel@worldbank.org](mailto:mjuhel@worldbank.org)



**THE WORLD BANK**

# WORLD BANK ASSISTANCE TO TRANSPORT (1)

- Transport enables development
- Transport accounts for one-fifth of Bank commitments
- There is a strong link between transport improvements and poverty reduction
- Without efficient transport Millennium Development Goals will not be achieved
- Bank's renewed emphasis on infrastructure since 2002
- Roads dominate the portfolio of World Bank transport (\$56 billion 2000-2010)
- Involvement of private sector has led to improved performance/ better service

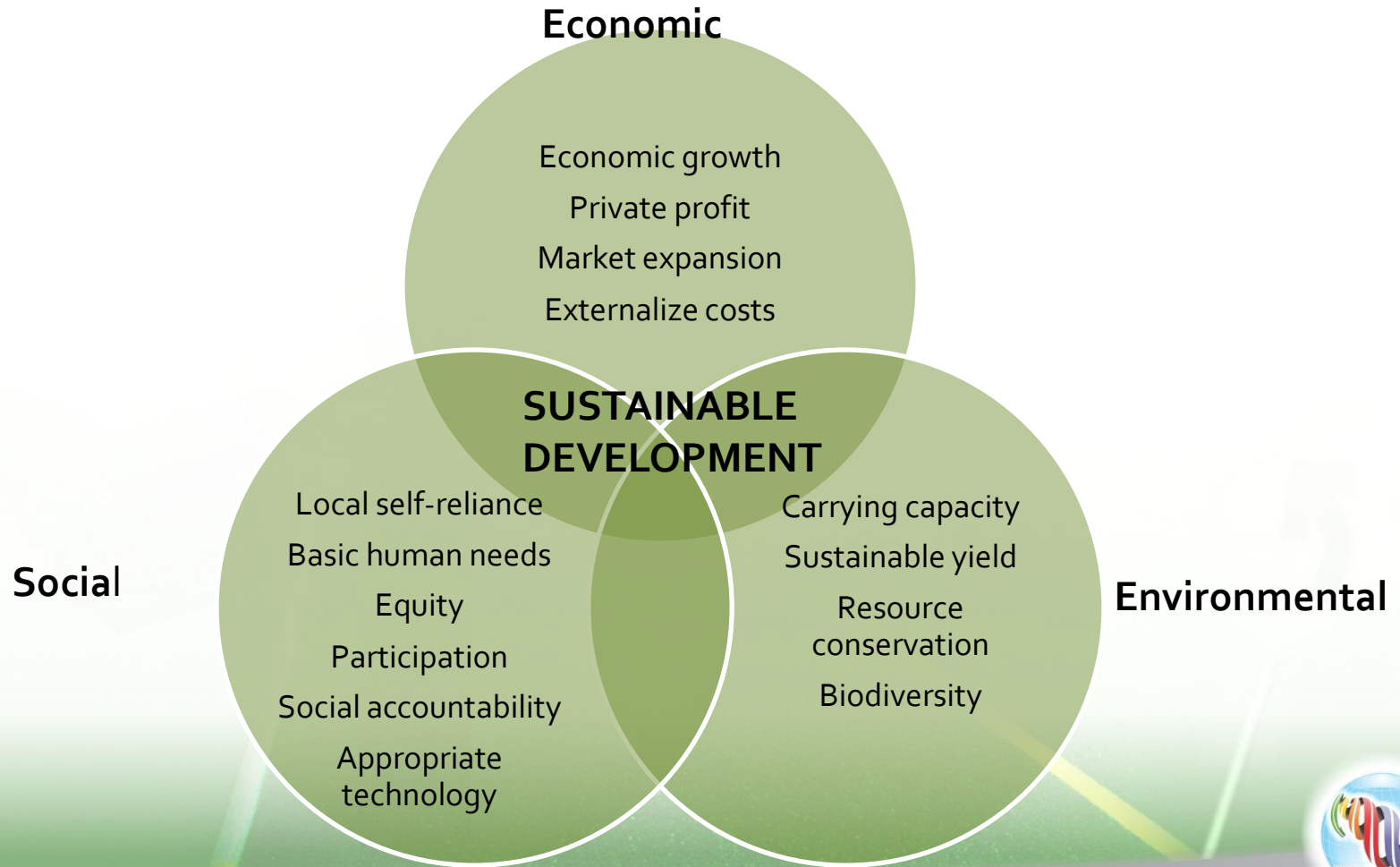


## WORLD BANK ASSISTANCE TO TRANSPORT (2)

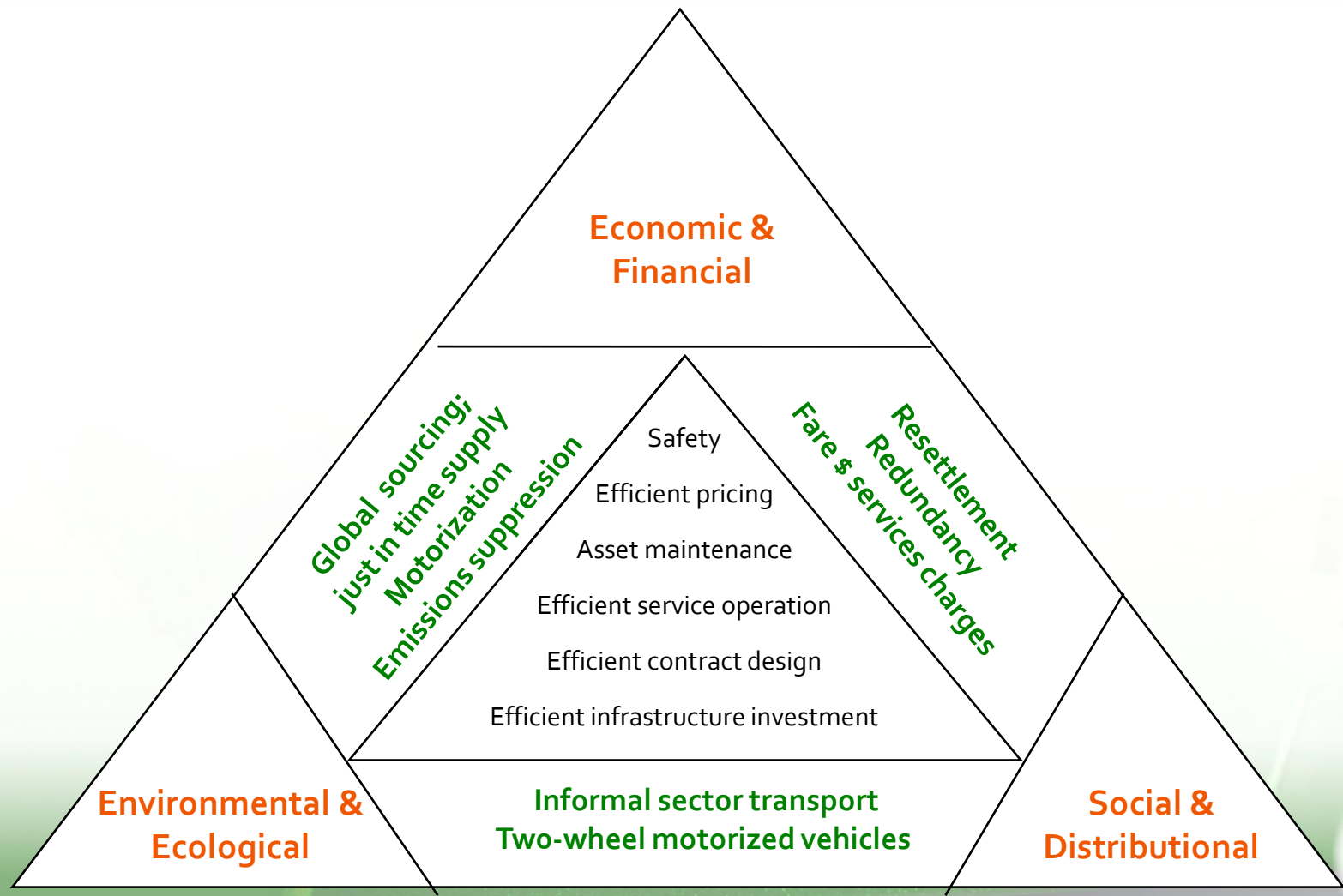
- World Bank has made a major contribution by promoting private sector road and maintenance management
- World Bank needs to help clients achieve a new level of governance and institutional capacity
- Sustainability remains a major issue
- Where there is low institutional capacity, World Bank staff tend to under-estimate the time needed to implement reforms, build capacity, and build institutions



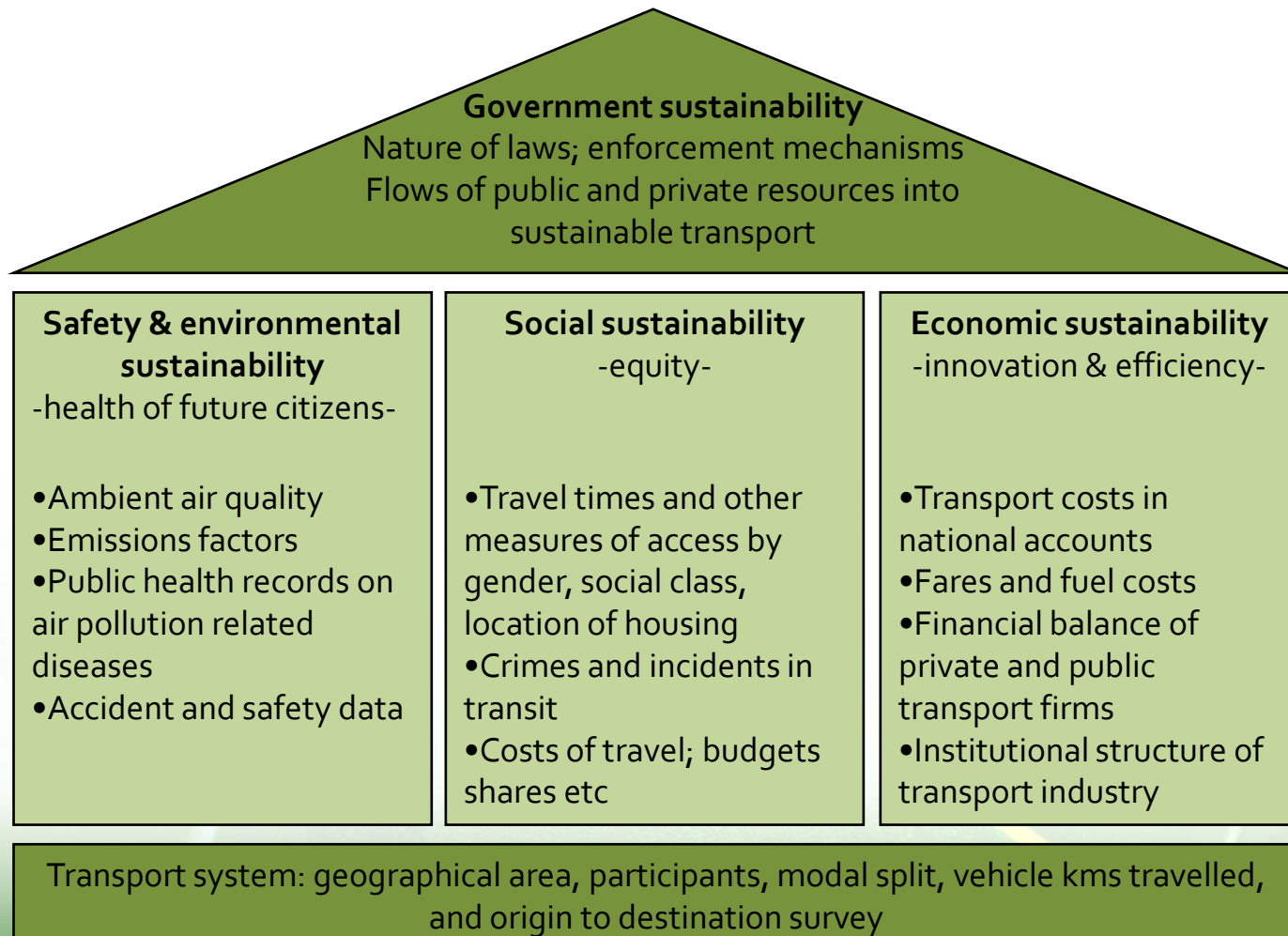
# TRADITIONAL SUSTAINABLE DEVELOPMENT



# SUSTAINABILITY IN TRANSPORT



# THREE PILLARS OF SUSTAINABLE TRANSPORT



# TOOLKIT KEY FEATURES

Sophisticated  
checklist

Tool of  
first  
resort

Linked to  
other  
advice/  
guidance

Web-  
based

Readily  
updated



# INFORMATION SOURCES

- Literature review of World Bank projects and other documents
- Survey of Team Leaders
- Interviews with Team Leaders and other key stakeholders
- Review of 20 projects from the Bank's internal evaluation database of projects
- Reviewed published project documents
- Case studies (visits to Brazil, Ethiopia & Nepal, and others not visited – Cameroon, Egypt, India & Lithuania)
- Input from an in-depth review of urban transport (10 years of lending)
- Internet searches (for sources of other guidance)
- Peer review internally by World Bank experts and TRL review panel





- Front Page
- How to use the Toolkit
- The Toolkit layout
- List of topics
- The Toolkit (48 topics in all)
- The Core Sustainability Principles
- Technical information





# Sustainability Toolkit for Transport Projects



Table of Contents

Topics

Case Studies

Search



## Core Sustainability Principals

*Policy Embedment* Transport projects, especially those related to the provision of road infrastructure, often involve innovative approaches that have

### Toolkit

- About This Toolkit
- Test Your Knowledge
- Acknowledgements
- Contact Us

### FAQ

### Downloads

### How To Use This Toolkit ▼



Core Sustainability Principals



Project Life Cycle



Operational Risk Assessment



Risk To Development Outcome

### Browse Topics ▼

Differences on policy matters between the World Bank and the client.

Lack of clarity of the roles and responsibilities of the client government.

Poor understanding of client government's needs

The Bank's staff lack of detailed knowledge of local laws and regulations.

### Case Studies



# How to use the toolkit

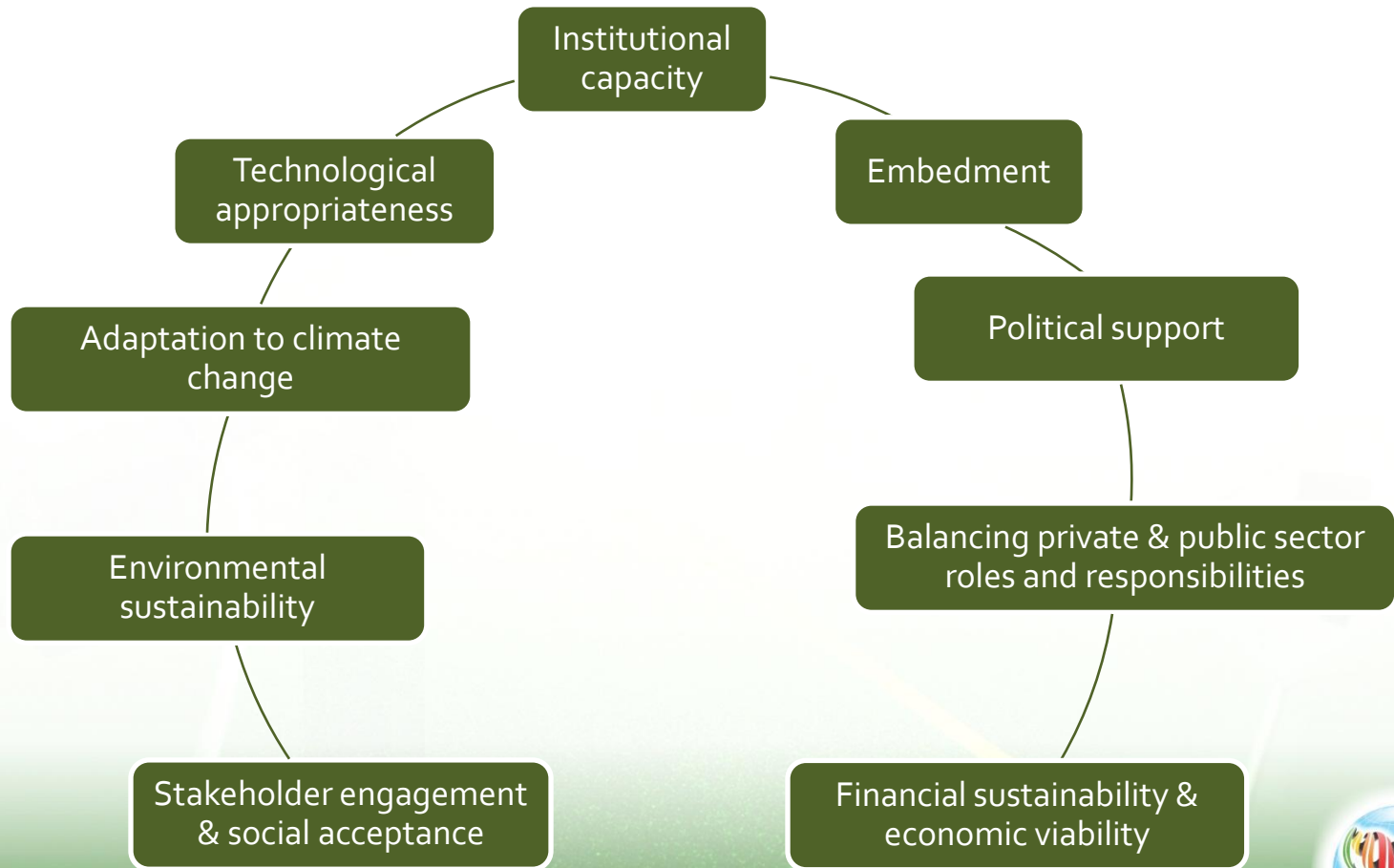


The toolkit's advice can be searched by:

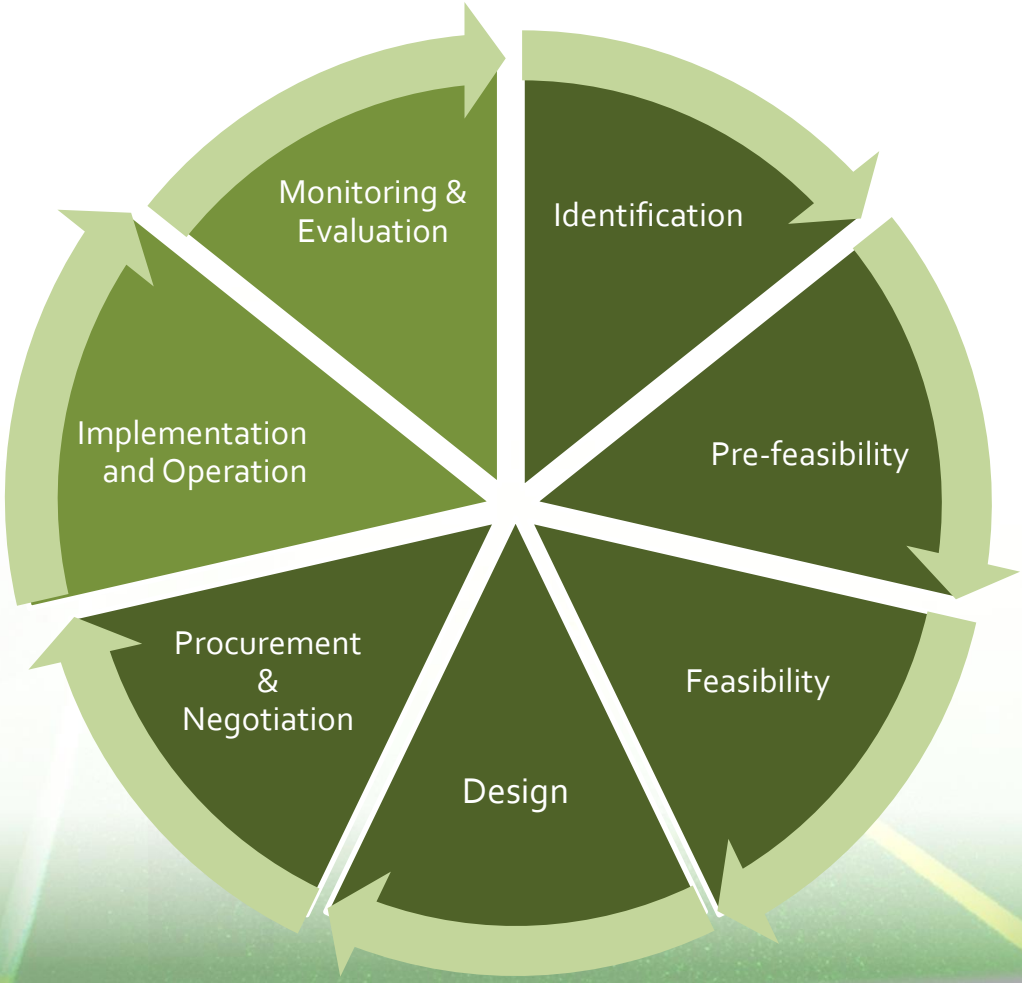
1. Core sustainability principle
2. Project life cycle stage
3. Operational Risk Assessment Framework (ORAF) risk category
4. Criteria used to assess the Risk to Development Outcome
5. Index of topics (with links to related topics)



# SEARCH BY CORE SUSTAINABILITY PRINCIPLES



# SEARCH BY PROJECT LIFE CYCLE STAGE



# SEARCH BY OPERATIONAL RISK ASSESSMENT FRAMEWORK (ORAF) RISK CATEGORY

## 1. Project Stakeholder Risks

- 1.1 Stakeholder Risk

## 2. Operating Environment Risks

- 2.1 Country Risk
- 2.2 Institutional Risk

## 3. Implementing Agencies Risk

- 3.1 Capacity Risk
- 3.2 Governance Risk
- 3.3 Fraud & Corruption Risks

## 4. Project Risks

- 4.1 Design Risk
- 4.2 Social and Environmental Risks
- 4.3 Program and Donor Risk
- 4.4 Delivery Quality Risk
- 4.5 Other Risks



# SEARCH BY CRITERIA USED TO ASSESS THE RISK TO DEVELOPMENT OUTCOME

Technical

Financial

Economic

Social

Political

Environmental

Government ownership/commitment

Other stakeholder ownership

Institutional support

Governance

Natural disasters exposure





# The toolkit layout



# THE TOOLKIT LAYOUT (1)

- A description, and link, to the project stage(s) in which the topic may be experienced.
- A description, and link, to the core sustainability principle(s) to which the advice relates.
- A description, and link, to the relevant ORAF category(ies).
- A description, and link, to the relevant Risk to Development Outcome criteria.
- An explanation/ description of the topic encountered.
- A description of the impact that the topic could have upon the project.



## THE TOOLKIT LAYOUT (2)

- Suggestions on how to address the potential impacts – the solution.
- A description, in general terms, of how to address the topic – suggested techniques to use.
- Who should be responsible for leading/ undertaking the action(s).
- When the actions should be undertaken i.e. during which stage of the project.
- Links to other World Bank reports that provide further information on the case study examples cited.
- Links to sources of additional guidance.



<b>Topic #X</b>	
<i>Explanation/ description of the topic encountered</i>	
<b>Potential Impacts</b>	
<i>What the impacts of the topic are likely to be</i>	
<b>How to address the potential impacts</b>	
<b>Solution</b>	<i>In general terms what approach/ actions need to be undertaken</i>
<b>Techniques</b>	<i>How to address the topic – suggested techniques to use</i>
<b>Who</b>	<i>Who should be responsible for leading/ undertaking the action(s)</i>
<b>When</b>	<i>When the actions should be undertaken</i>



# Topics



# TOPICS EXAMPLES

Understanding client 's needs

Stakeholders roles & responsibilities

Knowledge of local laws and regulations

Policy differences between the World Bank and the client

Coordination among aid agencies

Continuity of responsibility for project delivery

Needs assessment

Project planning

Transport strategy context

Iconic project

Reform program



# UNDERSTANDING THE CLIENT'S NEEDS

Potential Impacts	
A poor understanding of client government needs could result in:	
<ul style="list-style-type: none"><li>• Unclear project objectives being defined.</li><li>• Lack of clarity concerning the main beneficiaries of the project.</li><li>• Over/under costing the project against budget.</li></ul>	
How to address the potential impacts	
<b>Solution</b>	<ul style="list-style-type: none"><li>• Projects should be responsive to the clients' needs and their levels of competence.</li></ul>
<b>Technique</b>	<ul style="list-style-type: none"><li>• Review previous relevant documentation from the World Bank and client government to understand potential transport needs..</li></ul>
<b>Who</b>	<ul style="list-style-type: none"><li>• The World Bank should lead and consult with the client government, key stakeholders and project managers in order to specify the project goals.</li></ul>
<b>When</b>	<ul style="list-style-type: none"><li>• During problem identification a needs assessment should be undertaken and the project objectives clearly set out.</li></ul>



Example topic





# TIME-BOUND COVENANTS LINKAGES

## Life Cycle Stage

Procurement and negotiation

## Core Sustainability Principle

Institutional capacity and embedment; balancing private and public sector roles and responsibilities

## ORAF Category

4.4 Delivery quality and risk

## Risk to Development Outcome Criteria

Institutional support; Other stakeholder ownership



# TIME-BOUND COVENANTS—FIRST PAGE

<b>Topic #36</b>	
Time-bound covenants.	
<b>Potential Impacts</b>	
Excessive time bound covenants could result in: <ul style="list-style-type: none"><li>• Delays in project implementation.</li><li>• Higher costs.</li></ul>	
<b>How to address the potential impacts</b>	
<b>Solution</b>	Review the appropriateness of the covenants for the project.
<b>Techniques</b>	<ul style="list-style-type: none"><li>• Conduct a systematic review of covenants.</li><li>• Identify and remove covenants that can be avoided.</li><li>• Monitor compliance with covenants throughout project implementation.</li></ul>
<b>Who</b>	World Bank with the support of the client government.
<b>When</b>	During procurement and negotiation.



# TIME-BOUND COVENANTS—SECOND PAGE

## Link to Core Principle(s)

[Institutional capacity](#) and [embedment](#); balancing private and public sector roles and responsibilities

## Case Study Example(s)

### Transport Sector Investment

Tunisia

P043700

<http://go.worldbank.org/2NOW63U6Po>

This project showed that too many time-bound covenants may become counter-productive, since they risk becoming too demanding for the borrower, and difficult for the Bank to monitor and follow up.

## Other Related Topics

3. Knowledge of local laws and regulations

8. Project planning

13. Project business case

27. Private sector involvement

35. Loan formats

41. Exchange rate risks

42. Corruption





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## THANK YOU. QUESTIONS?

- Marc Juhel
- Sector Manager, Transport
- [mjuhel@worldbank.org](mailto:mjuhel@worldbank.org)
- [www.worldbank.org/transport](http://www.worldbank.org/transport)



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