



European Investment Bank

The EU bank

EIB role and potential in assisting the CAREC region on road safety issues

**Second Road Safety Workshop
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Per MATHIASSEN

What is the EIB?

- Bank of the European Union
- Special expertise and resources to make a difference to the future of Europe and of its partners
- Supports sound investments underpinning EU policy objectives



Business model and value added

- **Triple-A institution** transferring the financial advantage to projects complying with EU policies.
- **EU policy-driven institution** focussing on projects matching both national and EU priorities.
- **Long experience** (since 1963) of working with partner countries.
- **EIB Quality Label:** in-house technical expertise (technical, economical, financial, environmental) to implement and disseminate best practices.

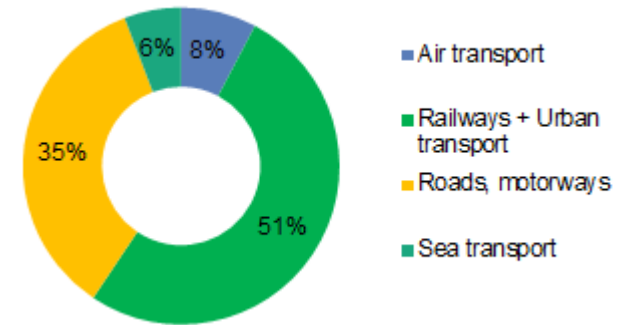
Three overall objectives

- Private sector development, in particular support to SMEs.
- Development of social and economic infrastructure, including roads and motorways.
- Climate change mitigation and adaptation: Renewable energy, energy efficiency and sustainable transport.



EIB activity within and outside the EU

- Total lending volume per year:
Around 80bn EUR.
- Lending within/outside the EU: 90/10
- 35% of transport investments for roads
- Road transport in CAREC countries is within the scope of the current mandate 2014 – 2020.
- The 2014-2020 External Lending Mandate envisages some EUR 4.8bn for the Eastern Neighbourhood region and EUR 182m for Central Asia.



Scope for financing

- Project-linked
- Financing of fixed asset components
- The EIB lends up to 50% of total project costs
- Close cooperation with other finance institutions.

Eligibility criteria

- Economically justified
- Technically viable
- Environmentally sound
- Financially sustainable and
- Appropriate procurement procedures are applied.

Products and benefits

- Large **amounts**
- Broad range of **currencies**
- Long **maturities** - up to 25 years and tailor-made grace periods
- Attractive **interest rates**
- Low **fees**
- **Blending** with other MDBs and sources of funding
- Opportunities for **grants** for TA and soft components

EIB Road Safety Policy and Action Plan

- Road Safety is an EU policy objective
- The need for Road Safety Audits on projects is stipulated in EIB's Transport Policy (2011)
- For projects located outside the EU, Road Safety Audits are mandatory on all road projects in line with the principles outlined in the EU Road Safety Directive
- Road Safety Action Plan: Increased investments in road safety, streamlining of safety in EIB operations, international cooperation
- EIB Road Safety Guidelines specifying the requirements.

Requirements to projects located outside the EU

- Road Safety Impact Assessment (RSIA)
- Road Safety Audits (RSA) on draft and detailed design, before completion, and during early operation
- Pedestrian Safety Assessments (PSA) in specific cases
- Design, supervision and contractor's teams must include a competent person responsible for road safety matters.



Attention to road safety in design and construction:
Identify deficiencies before projects are completed



4-way junctions on high speed roads



**Dynamic roundabouts in urban areas,
lack of facilities for cyclists**

Attention to road safety in design and construction:
Identify deficiencies before projects are completed



**Lack of facilities for pedestrians
and other vulnerable road users**



Unsafe pedestrian crossings

Safe Systems Approach

Separate effectively or integrate safely



Effective separation of road users



Safe integration of road users

How the EIB can support road safety in lending operations

- Bring in EU best practice based on extensive and diversified EIB experience in the sector
- Mainstream road safety in EIB road infrastructure operations through the implementation of the *EIB Road Safety Guidelines*
- Scale up existing EIB lending, blending and advising activities in support of road safety improvement projects.

Scale up lending and blending

- The EIB can finance road construction and rehabilitation projects with road safety components
- The EIB can also bring funding to dedicated road safety projects and programmes with sufficient volume (30+ m EUR outside EU)
- This opens for investments in route- or area wise road safety and road rehabilitation programmes where road accident reductions provide the major benefits and contributions to the programs cost-effectiveness
- Relevant soft components such as technical assistance, capacity building and information campaigns are also considered as eligible costs.

Dedicated road safety projects

- Improvement of road safety as a main objective
- Existing accident problems can be documented
- Project objectives and expected, measurable results can be justified

A minimum requirement is a **road accident analysis**, including accident reduction targets and suggested measures to meet those targets, **or a full Road Safety Impact Assessment.**

South Caucasus projects

- **Armenia highway M6 upgrading** includes a EUR3m road safety component for blackspot works on national roads. This amount may be matched by the ADB who finances part of the corridor.
- **Road Safety Audits** are an integrated part of the design process of the projects financed by the Bank
 - Georgia East West I and II,
 - Armenia North South Road Corridor (2 phases)



Picture no. 3.3.2.3: Existing situation



Picture no. 3.3.2.4: Auditor proposal

Ukraine

- The EIB/EBRD funded European Roads II program includes **road safety audits** and specific **road safety measures**;
- The EIB has initiated the **EPTA road safety project** which includes
 - National Road Safety Audit system
 - New and safer design standards
 - Road safety communication campaigns
 - Capacity building
 - Improved accident data
 - ER II is used as a case for training and development of procedures.

Modernization and Safety Improvements of the Road Network in Ukraine – Technical Assistance

EIB - TA2015013 UA EST

Inception Report



Per MATHIASSEN – Senior Sector Engineer
Mobility Department, Strategic Roads Division
Tel. (+352) 437988294, e-mail p.mathiasen@eib.org

Virgil NAE – Resident Representative
Regional Representation, China
Tel. (+352) 437985266, e-mail v.nae@eib.org

Lionel RAPAILLE - Deputy Head of Division
Lending Operations, Eastern Neighbours and Central Asia
Tel: (+352) 437986872, e-mail: l.rapaille@eib.org

Sébastien HUSSON de SAMPIGNY - Resident Representative,
Regional Representation for the South Caucasus
Tel. (+995) 599983560, e-mail tbilisi@eib.org