

# **Environmental and Social Safeguards Community of Practice (CoP) Seminar on**

Sustainable Transport Investments: Opportunities, Challenges and Good Practices

Oct. 31 – Nov. 1, 2024, Chengdu, China

## **Background:**

Infrastructure development projects come with environmental and social risks that can have long-term impacts on sustainability. By identifying and addressing these risks early on, project developers can minimize negative impacts and maximize positive economic and social outcomes. Failure to address these risks can lead to increased costs, delays, reputational damage, and legal liabilities. Effective risk management, on the other hand, contributes to project success, attracts investors, and enhances long-term financial viability.

Environmental and Social (E&S) practitioners of multilateral development banks (MDB) have formed the Community of Practice (CoP) ¹to collaborate, coordinate, and share experiences and lessons learned on the development and application of E&S policies, and on building up clients' capacities and strengthening the delivery of development results on a sustainable basis, with an initial regional focus in East Asia and the Pacific Region (e.g. joint training, studies, knowledge sharing, and work on the establishment of training centers).

The Multilateral Cooperation Center for Development Finance (MCDF) is a multilateral initiative to foster high-quality infrastructure and connectivity investments in developing countries, through wider application of the standards of accredited International Financial Institutions (IFIs). It supports information-sharing, capacity building, and project preparation for both developing country governments and financiers.

One of the areas of IFI standards that MCDF promotes is environmental and social safeguards. Consequently, MCDF has provided grant funding to support AIIB's Sustainability and Fiduciary Solutions Department (SFD) in chairing the MDB Community of Practice for Environmental and Social Practitioners. With MCDF's support, the CoP's focus has expanded to the rest of the continent, including Central and West Asia and the Caucasus.

AllB is leading in the organization of the annual CoP seminars. These CoP events offer a platform for experience sharing and engaging in professional discussions at the policy, investment, and counterparty levels. The first CoP event on the application of E&S policies in wind energy investments was organized in June 2023 at the ADB HQ in Manila, the Philippines. The theme for the second E&S CoP event was the application of E&S standards in investments undertaken by Financial Intermediaries. It took place at the AIIB HQ in Beijing, China in January 2024. These events were well-received by E&S practitioners from MDBs, clients, and any external counterparties in attendance. All the proceedings, presentations conducted, and key takeaways are available upon registration on MCDF's JIGSAW information-sharing platform.

This concept note aims to provide details on the third MDB E&S CoP event, which will be jointly organized by the SFD of AIIB, in collaboration with the MCDF.

1. The original concept of the MDB CoP of E&S Safeguards practitioners, kick-started by the World Bank included the Asian Development Bank, Australia's Department of Foreign Affairs and Trade, Japan International Cooperation Agency, Agence Française de Développement, World Bank (including International Finance Corporation). The informal initiative is however open to any new members, including any other MDBs and development agencies, who are able and willing to contribute to the development and the application of advanced environmental and social standards and on scaling up sustainable finance globally.



# Proposed E&S CoP on Sustainable Transport Investments: Opportunities, Challenges, and Good Practices

Transport infrastructure is one of the key thematic priorities for MDB investments in Asia. However, transport infrastructure capacity in most Asian countries is significantly lower than that of developed countries. Available estimates suggest that an annual investment of USD500-900 billion is needed to support trade and economic growth in the region. <sup>2</sup>

Transport infrastructure projects consist of various modes (e.g., road, rail, air, inland waterway, and ocean shipping) and often involve diverse and complicated environmental and social risks that need to be assessed, mitigated, and managed appropriately. These include environmental impacts on biodiversity, ecosystem services, noise, water, etc. Additionally, projects involving land acquisition and large-scale construction must adhere to appropriate social standards (resettlement, accessibility, occupational and health safety, etc). The transport sector is intrinsically related to the global climate agenda, not only because of their vulnerability to physical climate risks and hazards, but innovations in greener transport systems and changes in energy sources are imperative for the transition to a low-carbon economy.

Recognizing the complexities of E&S aspects in sustainable transport investments, especially in developing markets, AIIB, in partnership with MCDF, will organize the third Environmental and Social (E&S) Safeguards Community of Practice (CoP) seminar with a focus on the application of environmental and social policies and standards in sustainable transport infrastructure.

## **Objectives:**

The seminar aims to present and discuss good practices and lessons learned to manage environmental and social risks on transport infrastructure projects that can be practically applied by market players in the context of emerging markets in Asia and beyond. In addition, it offers a good platform to discuss emerging opportunities and challenges that MDBs and their partners face in managing environmental and social impacts and risks.

Experience sharing about lessons learned will offer an opportunity for MDBs and their partners to scale up investments providing significant contributions to climate, nature-positive, and other environmental and social net gains in the design and implementation of the transport infrastructure investments in the Asia-Pacific region and beyond.

### **Target audience:**

- Environment and social (E&S) specialists and investment operations staff of International Financial Institutions
- Relevant stakeholders of infrastructure projects in the transport infrastructure sector

#### Format:

The event is planned as a two-day hybrid seminar, to be held at Shangri-La Hotel (Chengdu, China), with a combination of physical and virtual streams, harnessing the benefits of:

- A physical event: ease of interaction in Q&A sessions; and ability to interact informally during coffee breaks and meals.
- Virtual streaming: allowing additional participants to attend, and for some speakers to be able
  to dial in. Participants dialing in will use Zoom and registration links will be circulated well in
  advance of the event.

#### Language:

Presentations and discussions will be held in English.

<sup>2.</sup> Asian Development Bank. 2017. "Meeting Asia's Infrastructure Needs"; McKinsey & Company. 2016. "Financing Change: How to Mobilize Private-Sector Financing for Sustainable Infrastructure" and "AIIB Transport Sector Study". 2018.



Co-organizers: AIIB, MCDF

## Agenda

Day 1: October 31, 2024			
Opening Ceremony (9:00–10:00) 60min			
Master of Ceremony	Alex Hadzhiivanov, Senior Environment Specialist, AIIB	(9:00 -9:10) 10min	
Welcome Note	<b>Hun Kim</b> , Acting Vice President, Investment Solutions and Director General, Sectors, Themes and Finance Solutions Department	(9:10 - 9:30) 20min	
Keynote Speech	Zhongjing Wang, Chief Executive Officer, MCDF	(9:30 - 9:50) 20min	
Group Photo		(9:50 - 10:00) 10min	
Coffee Break		(10:00-10:30) 30min	

Plenary Session A: Application of Environmental and Social Standards in Sustainable Transport Projects -Opportunities, Challenges, and Global Trends (10:30 - 12:00) 90min Rapporteur: Isabelle Bautista, Environment Consultant, AIIB Objectives: The session will explore how E&S risks and impacts are assessed and managed in transport investment projects. The panel will discuss current global trends and opportunities in sustainable transport infrastructure and in better implementation of E&S standards. (10:30-10:35) Moderator Ede Ijjasz, Senior Advisor to the CEO, MCDF 5min David Rollinson, Senior Environment Specialist, AIIB (10:35-10:55) Presentation MDB Presentation: Application of Environmental and Social 20min Standards in Sustainable Transport Projects David Rollinson, Senior Environment Specialist, AIIB Nianshan Zhang, Head, Office of Safeguards, ADB (10:55-11:35) **Panel Discussion** Roman Novozhilov, Chief of ESG Department, NDB 40min Piers Touzel, Head of Advisory, ERM Corey Wong, Director Transport, Arup (11:35-12:00) **Q&A Session** 25min (12:00-13:30) Lunch Break 90min

Parallel Session 1a: Environment Safeguards in Roads and Rail Investments

(13:30-15:00) 90min

Rapporteur: Mudassar Hassan, Environment Specialist, AIIB

**Objectives:** This session will discuss experiences and good practices in integrating MDBs' E&S requirements in road and rail projects. It will also cover challenges in adoption and implementation in both the private and public sectors.

<sup>2.</sup> Asian Development Bank. 2017. "Meeting Asia's Infrastructure Needs"; McKinsey & Company. 2016. "Financing Change: How to Mobilize Private-Sector Financing for Sustainable Infrastructure" and "AIIB Transport Sector Study". 2018.



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Moderator	<b>Drona Ghimire</b> , Senior Environment Specialist, AIIB	(13:30-13:35) 5min
Presentation	<ul> <li>MDB Presentation: Environmental Safeguards in Roads, Bridges, and Railways Infrastructure Projects</li> <li>Elisa Xiao, Principal E&amp;S Specialist, ESG Department, NDB</li> <li>Alexandra Antsugai, Head of Sector Infrastructure, ESD, EBRD</li> <li>FI Presentation: Environmental Safeguards in the Makassar—</li> </ul>	(13:35-14:00) 25min
Presentation	Parepare Railway Project in Sulawesi Island, Indonesia (PPP project)  • Dicka Andila Vebri, Senior Social & Environmental Specialist, PT Indonesia Infrastructure Finance  • Yayan Indriatmoko, Head of E&S Division, Indonesia Infrastructure Finance	(14:00-14:15) 15min
Panel Discussion	<ul> <li>Carlito Rufo, Senior Safeguards Specialist (Environment), ADB</li> <li>Alexandra Antsugai, Head of Sector Infrastructure, ESD, EBRD</li> <li>Elisa Xiao, Principal E&amp;S Specialist, ESG Department, NDB</li> <li>Dale Fuertes Pham, Environment Specialist, AIIB</li> <li>Manuel Benard, Senior Investment Officer, AIIB</li> <li>Yayan Indriatmoko, Head of E&amp;S Division, Indonesia Infrastructure Finance</li> <li>Noise generation and mitigation are common if not key aspects to be addressed in both railway and road projects. Noise has ranging impacts on human and animal life. For MDBs and clients, share any challenges encountered in the adoption of noise assessments and mitigation measures, and the solutions implemented.</li> <li>How can nature-based solutions (NBS) be integrated into MDBs road and rail projects to address key impacts on biodiversity?</li> <li>What are the challenges encountered by MDBs and clients to implement NBS in both public and private sector road and railway projects?</li> <li>What are key challenges in ensuring long term sustainability in rail and road projects from an environmental perspective?</li> </ul>	(14:15-14:45) 30min
	Q&A Session	(14:45-15:00) 15 min

Parallel Session 2a: Environment Safeguards in Ports and Airports Investments

(13:30-15:00) 100min

Rapporteur: Geanella Allyson Cruz, Environmental Associate, AIIB

**Objectives:** This session will discuss experiences and good practices for the adoption and implementation of the MDBs' E&S requirements on port and airports projects. The panel will share lessons learned and explore



challenges in the transportation sector (Ports and Airports) for focusing on Sovereign-Backed Financing (SBF) and Non-Sovereign-Backed Financing (NSBF) projects.

Moderator	Maya Gabriela Villaluz, Senior Environment Specialist, AIIB	(13:30-13:35) 5min
Presentation	Siva Jyosyula, Senior Social Development Specialist, AIIB	(13:35-13:50) 15min
Presentation	Ingeborg McNicoll, Technical Consulting Director, ERM	(13:50-14:05) 15min
Panel Discussion	<ul> <li>Siva Jyosyula, Senior Social Development Specialist, AIIB</li> <li>Pedro Ferraz, Senior E&amp;S Specialist, ESG Department, NDB</li> <li>Ingeborg McNicoll, Technical Consulting Director, ERM</li> <li>Martin Willich, Project Director, Frankfurt Airport Services Worldwide</li> <li>Wael Haggag, Head of Environment, Social, Health &amp; Safety, and Security (ESHSS), Damietta Alliance Container Terminal (DACT)</li> <li>Indicative Questions for Panel Discussion:         <ol> <li>How can we define a green port?</li> <li>What are the biggest challenges to implementing EBRD's Performance Requirements for harbor/airport projects in developing countries?</li> <li>What lessons can you share about implementing socioeconomic mitigation measures on airport Projects in developing countries?</li> <li>What actions are taken in the Kunming airport project to consider this project as a green airport?</li> <li>Is any special attention necessary for community health and safety risks related to airport expansions?</li> <li>What was AIIB's value addition to your Project?</li> </ol> </li> </ul>	(14:05-14:45) 40min
	Q&A Session	(14:45-15:00) 15min
	Coffee Break	(15:00-15:30) 30min

Plenary Session B: Sustainable Transport Projects - Climate and Green Transition			
	(15	:40-17:10) 90min	
Rapporteur: Vladi	mir Hecl, Senior Environment Specialist, AIIB		
<b>Objective:</b> This session will explore Paris Agreement alignment, Climate Finance, and Green Transition			
practices within the MDB sector, and how these practices shape sustainable transport projects. The panel will			
discuss opportunities, challenges, and lessons learned in these areas.			
Moderator	Sudhir Gota, Co-Team Leader, Asian Transport Outlook	(15:40-15:45) 5min	



Presentation	Alberto Alcubilla Arribas, Senior Investment Solutions Specialist, AIIB	(15:45-16:05) 20min
Panel Discussion	<ul> <li>Alberto Alcubilla Arribas, Senior Investment Solutions Specialist, AIIB</li> <li>Andres Pizarro, Principal Transport Investment Operations Specialist, AIIB</li> <li>Yuan Zheng, Climate Change Specialist, NDB</li> <li>R.M.S. Bandara, Project Director, Sri Lanka: Reduction of Landslide Vulnerability by Mitigation Measures Project (RLVMMP)</li> <li>Bijaya Jaishi, Deputy Director General, Development Cooperation Implementation Division (DCID), Department of Roads, Nepal</li> <li>Indicative Questions for Panel Discussion:         <ol></ol></li></ul>	(16:05-16:45) 40min
	Q&A Session	(16:45-17:10) 25min
	Wrap-up of Day 1	(17:10-17:15) 5min
Evening Reception		(18:00-19:30) 90min

Day 2:			
	Opening of Day 2 (8:55-9:00)		
Plenary Session C: Sustainable Transport Projects – Gender (9:00-10:30) 90min  Rapporteur: Suu Tran Quy, Social Development Specialist, AIIB			
<b>Objective:</b> The session will discuss gender dimensions and women's opportunities in transport projects focusing on identifying, managing, and monitoring these aspects in line with MDBs' applicable requirements. It will also examine the challenges of defining suitable gender approaches and highlight good examples of gender considerations incorporated in transport investments.			
Moderator	Shagun Mehrotra, Social Development Specialist, AIIB	(9:00-09:05) 5min	
Presentation	Gulru Azamova, Senior Social Development Specialist, AIIB	(09:05-09:25) 20min	
Panel Discussion	<ul> <li>Gulru Azamova, Senior Social Development Specialist, AIIB</li> <li>Runze Yu, Investment Officer, AIIB</li> </ul>	(09:25-10:05) 40 min	



- **Sita Aripurnami,** Executive Director, Women Research Institute
- Juliana Franco Ramos, E&S Specialist, NDB
- Diganta Goswami (Virtual), Superintending Engineer, Assam Public Works Roads Department, India

#### **Indicative Questions for Panel Discussion:**

- 1. What are the opportunities to enhance gender mainstreaming in transport projects?
  - What opportunities are there to ensure benefits are derived by women (road safety awareness training, employment and income opportunities, rural access roads, etc.)
  - What opportunities are created to empower women?
  - What are the measures to ensure women benefit from green travel solutions and public transport?
  - What are the good practices and different approaches applied to women's engagement?
- What are the challenges related to incorporating gender dimensions in the design and implementation of the transport projects?
  - How to design accessible and safe infrastructure projects to address women and vulnerable groups' needs, concerns and expectations?
  - Any challenges faced in women engagement in transport project design and implementation?
  - Do the Implementing partners (Clients, consultants, contractors) have sufficient human and financial resources to implement gender-responsive or gender-inclusive transport projects?
  - What kinds of capacity building interventions are designed and delivered to build capacities of all the parties on gender responsive project implementation and monitoring?
- 3. What are the lessons-learned that can be replicated and expanded in transport projects in pipeline to provide gender equity?
  - How to incorporate women's safety and travel needs in transport investments?
  - What measures can be included in the planning, design, implementation, and monitoring to improve gender equity in project management, civil works, and safety provisions?
  - How can gender dimensions be better addressed within risk mitigation of transport projects (human trafficking awareness, resettlement planning and activities, etc.)
  - What innovated approaches can be applied to better engage and promote women in transport projects?

(10:05-10:30) 25min

**Q&A Session** 



(10:20.11:00)				
	Coffee Break (10:30-11:00) 30min			
Parallel Session 1d: Sustainable Transport Projects – Resettlement and Stakeholder Engagement (11:00-12:40) 100min				
Rapporteur: Nicol	e Faith Blanco, Social Development Analyst, AIIB			
<b>Objective:</b> This session will generate and exchange ideas on the challenges and good practices in undertaking resettlement and stakeholder engagement in transport projects.				
Moderator	Roberto Tordecilla, Senior Social Development Specialist, AIIB	(11:00-11:05) 5min		
Presentation	Mr. Khondokar Nesar Ahmed (Virtual), Assistant Project Director (SDE), Construction of Kewatkhali Bridge at Mymensingh Project, Roads and Highways Department, Bangladesh	(11:05-11:20) 15min		
Presentation	Odil Akbarov, Social Development Specialist, AIIB	(11:20-11:35) 15min		
Panel Discussion	<ul> <li>Ashfaq Ahmed Khokar (Virtual), Senior Safeguards Officer, ADB</li> <li>Burcu Ergin, Senior Social Specialist, WSP International ESG Advisory Team</li> <li>Odil Akbarov, Social Development Specialist, AIIB</li> <li>Rumita Chowdhury, Social Consultant</li> <li>Satoshi Ishihara (Virtual), Senior Social Development Specialist, The World Bank</li> <li>Indicative Questions for Panel Discussion:         <ul> <li>What are the most challenging aspects or elements in preparing and implementing resettlement programs for transport projects?</li> <li>How easy or difficult it is to scope and assess impacts on vulnerable groups especially non-title holders or informal settlers?</li> <li>Do transport projects require a different approach in stakeholder mapping and engagement compared with other investment projects?</li> <li>Who are the major stakeholders in transport projects, what are their main interests and agenda and how do we effectively deal with them?</li> <li>How do you keep the engagement of stakeholders during operation?</li> </ul> </li> </ul>	(11:35-12:15) 40 min		
	(12:15-12:40) 25min			
Parallel Session 2d: Sustainable Transport Projects— OHS Aspects  (11:00–12:40) 100min  Rapporteur: Hira Usman, Environment Analyst, AIIB  Objectives: This session will focus on mainstreaming Occupational Health and Safety (OHS) aspects in transport projects, highlighting lessons learned and opportunities for improvement.				
Moderator	Krisnan Isomartana, Senior Environment Specialist, AIIB	(11:00-11:05) 5min		



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Presentation	Muzaffar Ahmad, Environment Specialist, AIIB	(11:05-11:20) 15min
Presentation	Rakhee Sunar, Vice President – ESG, National Investment and Infrastructure Fund (NIIF)	(11:20-11:35) 15min
Panel Discussion	<ul> <li>Muzaffar Ahmad, Environment Specialist, AIIB</li> <li>Jin Wang, Senior Investment Officer, AIIB</li> <li>Rakhee Sunar, Vice President – ESG, National Investment and Infrastructure Fund (NIIF)</li> <li>Yayan Indriatmoko, Head of E&amp;S Division, Indonesia Infrastructure Finance</li> <li>Kadir Tomas, Founder and Managing Director, TMS Safety Consulting, Türkiye</li> <li>Potential Questions for Panelists:         <ol> <li>What are the good practices in Health Safety Planning, Implementation (Design), Construction (Bid Docs) and Operations stage including the check and review mechanism for continual improvement – to better address H&amp;S safety risks.</li> <li>What are the measures and tools to ensure achieving the H&amp;S objectives (target, KPI, data management, reporting (ESIRT), root cause analysis, safety culture development, opportunities in applying new technology, AI, to cost saving and improve safety.</li> </ol> </li> <li>What are the challenges? Who are the stakeholders? How to improve the capacity of the clients etc.</li> </ul>	(11:35-12:15) 40 min
Q&A Session		(12:15-12:40) 25min
Lunch Break		(12:40-14:00) 80min



**Plenary Session E. IFIs Sharing Experiences** 

(14:00-15:50) 110min

Rapporteur: Xinchen Zhang, Environment Specialist, AIIB

**Objective:** This last session is key to the spirit of the Community of Practice, where the MDBs, and Development Partners, share their experiences on challenging and innovative projects and lessons learned with the wider community of safeguards practitioners and stakeholders.

Moderator	Mark Barnard, Senior Environment Specialist, AIIB	(14:00-14:05) 5min
Experience Sharing	Parthapriya Ghosh, Senior Social Development Specialist, AIIB	(14:05-14:25) 20min
Experience Sharing	Michael Beauchamp, Principal Safeguards Specialist (Social), ADB	(14:25-14:45) 20min
Experience Sharing	Xiaodan Huang, Senior Environment Specialist, World Bank	(14:45-15:05) 20min
Experience Sharing	Alexey Akulov, Principal E&S Specialist, ESG Department, NDB	(15:05-15:25) 20min
	Q&A Session	(15:25-15:50) 25in
Coffee Break		(15:50-16:20) 30min

	Closing Ceremony (16:20-1	7:00) 40min
Key Takeaways Sharing	<ul> <li>MC Introduces the session</li> <li>Rapporteurs share key takeaways from each panel (3 minutes each)</li> </ul>	(16:20-16:45) 5min
Closing Note	Frederic Wiltmann, Head of Program Team, MCDF Closing note on Jigsaw	(16:45-16:50) 5min
Closing Remarks	Yanning Wang, Director General SFD, AIIB	(16:50-17:00) 10min
	Buffet Dinner & Networking	(17:30-19:00) 90min