



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 12/22/2020 | Report No: ESRSA01230



BASIC INFORMATION

A. Basic Project Data

Country	Region	Project ID	Parent Project ID (if any)
Egypt, Arab Republic of	MIDDLE EAST AND NORTH AFRICA	P175137	
Project Name	Railway Improvement and Safety for Egypt		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Transport	Investment Project Financing	12/21/2020	3/1/2021
Borrower(s)	Implementing Agency(ies)		
Arab Republic of Egypt	EGYPTIAN NATIONAL RAILWAYS, Ministry of Transport		

Proposed Development Objective

To improve safety and service quality of the railway services along the Alexandria-Cairo-Nag Hammadi corridor.

Financing (in USD Million)	Amount
Total Project Cost	681.10

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The project has three components.

Component 1. Safe System Signaling Modernization: Modernizing the signaling system along the railway corridor Alexandria - Nag Hammadi consisting of: (a) an automatic block signaling system (on an open line); (b) electronic interlocking systems (in stations); (c) a level-crossing protection system, (d) installation of additional automatic train control wayside equipment as needed, and execution of track upgrades necessary for achieving the safe functionality of new signaling system.



Component 2: Safe System Asset Management Improvement: (1) Station Safety Improvements including physical improvements to platforms, station buildings, station environs, with a focus also on female and vulnerable passengers, such as people with disabilities; (2) Level Crossing Safety improvements addressing pedestrian and road vehicle safety (in coordination with signaling installation in component 1); (3) Visibility of Railway Assets comprising improvements in lighting at stations and their environs and at level crossings, together with improved visibility of rolling stock; (4) development of a Railway Asset Management System expanding the existing ENR system and utilizing a “Big Data” approach to link databases across sectors to enable smart analytics; (5) assisting ENR implement the recently introduced Safety Management System (SMS) also utilizing a “Big Data” approach, including Open Data following proper data management and safeguarding protocols.

Component 3: Project Delivery, Institutional and Human Resource Development: Project Management and Supervision support for the section Giza – Beni Suef; Human Resources development to support the railway reform. Institutional Development of the railway sector through Introduction of Public Sector Obligations and Multi Annual Infrastructure Contracts, and private sector participation down the road.

D. Environmental and Social Overview

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

Geographically Railway Improvement and Safety for Egypt project (RISE) covers a 763 km linear segment of Egypt National Railways (ENR) existing 5,000 km railway network. The 763 Km is divided into the following 5 sub-segments extending from Alexandria in the North, to Nag Hammadi in the South:

- 1- 163 Km Alexandria – Arab El Raml
- 2- 45 Km Cairo - Benha
- 3- 125 Km Cairo - Giza – Beni Suef
- 4- 250 Km Beni Suef – Asyut
- 5- 180 Km Asyut – Nag Hammadi

Segments 1 and 2 crosses Rosseta Branch of the Nile river and major irrigation channels at several points, while the other segments are crossing the Nile river in Cairo and running parallel to the Nile river and major irrigation channels to the South. The five segments are located mostly in rural areas, as well as in dense urban and peri-urban areas in 11 governorates starting from Alexandria in the North, Beheira and Gharbia in the Delta region, Qalyoubia, Cairo and Giza in Greater Cairo Area (GTA), Beni-Sueif, Menia, Assiut, Sohag and Qena in Upper Egypt region. Generally, most of the 5 segments are located in rural settings and the socioeconomic features vary considerably along the 760 Km.

The World Bank’s ongoing Egypt National Railways Restructuring Project (ENRRP) P101103, started in 2009, and has completed track upgrades in segments number 4 and 5 and is currently supporting the signaling modernization in segments 1, 2, 4 and 5. The project will be closed by December 2020, without completing all the works. The unfinished works under ENRRP will be financed by the proposed project (RISE) and will be implemented by ENR through the same international contractors who are currently working on the 4 segments under ENRRP.

Component 1 of RISE will finance signaling modernization in the 5 Segments (including the unfinished works in segments 1,2,4 and 5 and the new segment 3) as well as track upgrades in few sections in segment 3. Component 1 will also support track upgrades in some sections, as needed, in segments 1, 2, 4 and 5. The track upgrade in all the



segments will take place in specific areas of selected stations to enable the installation of the new signaling system. The works take place in isolated areas of tens or hundreds of meters usually on both ends of the station, in the area of old switches. Component 1, associated facilities are limited to (1) access road upgrades, where signaling works at level-crossings are contemporaneous with access road upgrades. (2) Construction of a small room (shelter) at level crossings, if needed.

During the construction phase, goods and materials will be provided on an ongoing basis including sand, ballast, metal rails and ties. Sand and Ballast will be purchased from existing quarries and will be allowed only from the licensed legal bodies. Metal rails are imported and transported from the ports to the sites using the railways. Ties are manufactured locally in two companies that are in Cairo and Qena. Both manufacturers are providing ties to Metro projects in Egypt, Railways, and Monorails and not exclusively for ENR.

As the works under Component 1 comprise existing activities that are underway, and need to be brought up to the requirements of the ESS, and these works will be financed retroactively, Egypt National Railways (the implementing agency) is required to amend all existing supervision, and signaling and track upgrade works contracts, to reflect the requirements of the ESS prior to start of activities eligible for retroactive financing. These amendments will largely formalize current good practices employed by contractors in areas such as: adoption and induction of workers on a Code of Conduct ; management of the environment, health and safety and overall housekeeping consistent World Bank Group Environment Health Safety Guidelines and GIIP, including measures to protect workers against COVID-19 (3) public outreach in adjacent communities before start of works (4) maintenance of an effective GRM for the public (a separate GRM for workers needs to be formalized). There have no formal complaints or grievances lodged by workers or communities against the project and there were no concerns or complaints raised regarding the contractors practices or regarding gender-based violence during consultation activities to prepare E&S documentation for RISE. The following additional contract amendments are necessary to fill gaps in current contracts related to health and safety and prevention of future serious accidents and incidents: implementation of all corrective actions from previous fatalities and incorporate lessons-learned into OHS procedures; enhanced expertise in Root Cause Analysis and corrective actions; improvements in job hazard/risk assessment methodologies; increased capacity of both Contractor and Supervision Consultant to monitor H&S compliance; adequate death and disability insurance coverage for daily workers.

The African Development Bank (AFDB) approved support to a project to install the European Train Control System Level 1 (ETCS-1) to strengthen safety and reliability of the national railway service on the 5 segments under RISE. ETCS-1 is not an associated facility because these works are not necessary for the RISE project to be viable (vice versa, RISE is necessary for ETCS-1). Nevertheless, the environmental and social studies from ETCS-1 provide environmental and social baseline data that is relevant for RISE (refer to ESS1).

Component 2 comprises initiatives aimed at enhancing safety systems. At the center, is the addition of modules and features to ENR's existing asset management database. Component 2 will also finance a set of discrete, minor works at multiple stations, aimed at improving safety for users, and in particular addressing safety concerns for women (e.g. painting rail cars to improve visual alertness, improved lighting, rehabilitation of toilets, visual surveillance). Those stations will be considered as pilot stations for ENR to later follow the same approach in their remaining stations. These works have not all been identified but will take place within the same geographical scope of the project.



Component 3 will include Project Management and Technical Assistance TA. TA will focus on capacity building activities to enable institutional reforms in ENR and enhance ENR staff capacity to deliver safety and operational efficiency. Also, Component 3 will finance project supervision including the implementation of the E&S instruments. TA under component 3 includes supporting the government in preparing future investments in the Transport sector in Egypt. The TA includes preparing detailed feasibility studies along with the Environmental and social instruments needed in accordance with the ESF requirements.

D. 2. Borrower's Institutional Capacity

The implementation will be shared between Egypt National Rail (ENR) and the Ministry of Transport (MoT); MoT will have a supervisory role with the ENR only in Component 3. ENR has been the implementing agency for the ENRRP for more than 10 years. Based on lessons learned from the ENRRP, the overall technical and project management capacity of the project, including environment, social, health and safety aspects, has been strengthened. ENR will reorganize the existing PMU to a fully staffed Project Management Unit (PMU) for RISE with the necessary resources exclusively dedicated to RISE operation and arrangements to tap into wider pool of ENR experts throughout the project implementation. The PIU will be staffed with one full-time Environmental Specialist, one Health and Safety Specialist, and one full-time Social specialist.

The capacity of the Environment Department (ED), currently consists of the Director, 5 environmental specialists and 2 social specialists. The Director of ENR's Environment Department (ED) is currently a formally seconded member of ENRRP PMU. Created under ENRRP, the department also interacts with other international donors financing ENR. Health and Safety of ENR's operations are generally outside ED's purview, though they play a role in overseeing contractor environmental, social and health and safety performance for the purposes of World Bank projects.

The ED's capacity to manage E&S risks has improved over the course of the Bank's support to the current ENRRP project, specifically in gaining additional staff and benefitting from on-going support from World Bank E&S specialists and training, including ESF training. However, recurring performance shortfalls are observed, particularly related to the implementation of the project's Resettlement Framework (see ESS5). Contributing causes include lack of coordination between the ED, PMU and other departments, and insufficient resource allocation for ED to perform monitoring and follow up activities. This has now been addressed through dedicated staffing at the PMU level, as described above, and improved land management procedures in the RF (see ESS5).

On the ground, the project works are being implemented by international contractors, with dedicated Environment, Health and Safety personnel and good capacity to implement the project's ESMPs, their own occupational health and safety management plans, and good practices. After the COVID-19 Pandemic, the contractors proactively adapted and implemented preventive measures to ensure safety of workers and communities. On Occupational Health and Safety performance, four fatalities occurred, one in 2015 and three in 2020. The first fatality occurred when a train passenger who was leaning out of the moving train collided with scaffolding at the contractor's site erected close to the tracks. In February 2020, two workers lost their lives in a highway traffic crash while on their way to patrol the project sites. This incident highlighted weaknesses in one of the contractors' safety management plans and reporting to the bank. The contractor prepared a Root Cause Analysis and Safeguard Corrective Action Plan (SCAP). Most of the agreed actions have been implemented and the Bank team will be verifying the implementation of the corrective action during appraisal. In November 2020, A passengers' train struck and fatally injured a worker undertaking trenching activities beside the tracks. Currently, the RCA and SCAP preparation is underway.



With respect to the works contracts under Component 1 and 2, the Supervision Consultant will continue to oversee labor and ESHS performance of the Contractors on behalf of the Employer (PMU). The ESA/ESMP requires the Supervision Consultant, as well as Contractors to employ qualified ESHS experts. Under Component 3 of the project, a Project Management Consultant will be hired to provide advisory services to the PMU and strengthen capacity in overall project planning, setting up tools and standards for project and contract management, risk and issues tracking and communications. This will support better overall environmental and social planning and management of risks and impacts. . Activities going forward will also be subject to a Technical Audit that will check on-the-ground compliance with ESF requirements.

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Substantial

Environmental Risk Rating

Substantial

The environmental risk rating of the project is substantial. The civil works and activities will take place within the same footprint of existing Railway infrastructure and will not extend beyond the track corridors. While the objectives of the project are to improve the safety and the operational efficiency of the railway services, the main contributing risk factors during the construction phase of the project are: (1) Occupational Health and Safety (OHS) risks for workers including Physical and Chemical hazards, (2) Hazardous material management and hazardous waste disposal including the potential use of pesticides to control vegetation along with the cables; (3) Traffic impacts associates with level crossing upgrades’ (4) Community health and safety risks ‘ (5) waste and wastewater disposal. Most of the identified impacts are site-specific, short term (i.e. limited to construction phases) and reliable mechanisms are available to prevent and mitigate those impacts, however, there is still a medium probability of OHS risks due to the accidents which can be readily addressed. During the implementation of the parent project ENRRP (P101103), four fatalities occurred, one fatality in 2015; two off-site fatalities in February 2020 in a traffic crash; and one fatality in November 2020. Additionally, activities under the TA in Component 3 include Type 1 TA which is assisting in preparing future infrastructure investments in the transport sector that are not identified at this stage. The outcomes of the TA Type 1, if implemented, may result also in physical interventions or activities that are associated with environmental and social implications.

Social Risk Rating

Substantial

The social risk rating is considered Substantial. The main contributing risk factors are i) the poor track record of client in screening and managing land-related risks over the large geographical area of Component 1 of the project. The land impacts themselves are considered limited in scale, consisting mainly of impacts to tenants or informal users (farmers) that occupy an area of the ROW, or adjacent government land plots, that are needed for storage, or new project structures. ii) Community health and safety risks since the project takes place within the context of the entire 760 Km railway network infrastructure and operations, the network is not enclosed and pedestrians regularly use the railway tracks as walking paths, passengers regularly open train doors while the train is moving, and train derailments and accidents do occur (the project (Component 2) will make contributions to mitigating these risks through safety improvements in certain stations and level-crossings as a demonstration effect, particularly for women and people with disabilities). There are also labor and occupational health and safety risks during construction, though

Public Disclosure



contractors have good capacity and project works and workers themselves, are generally adjacent to, or even isolated from the tracks themselves.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

ESS1 is relevant to the project and its associated facilities as those activities are expected to generate E&S risks and impacts that will be necessary to be mitigated. ENR hired an independent consultancy firm to prepare the project E&S instruments which consist of (1) Environmental and Social Assessment ESA that includes environmental and social impact assessment (ESIA) and Environmental Social Management Plans (ESMPs) of Component 1 and Environmental and Social Management Framework (ESMF) for Component 2. The E&S risks and impacts were identified and mitigation measures proposed for the identified interventions. For interventions that are not identified at this stage, the ESMF sets out the principles, rules, guidelines and procedures to assess the environmental and social risks and impacts of the activities to be implemented under component 2. ; (2) Updated Resettlement Framework (RF); (3) Stakeholder Engagement Plan (SEP); (4) Labor Management Procedures (LMP) and (5) Environmental and Social Commitment Plan (ESCP) in accordance with the ESF. The prepared instruments were building on the available instruments, ENRRP E&S instruments including: ESIA covering Segment 1 and 2 (2008); ESIA of segment 3 and 4(2017); Resettlement Policy Framework (2017), and other World Bank documents such as progress reports, Aide Memoires and monitoring reports documenting performance as well as an ESIA prepared for the African Development Bank (July 2020), who is financing a project taking place in the same railway corridors as RISE.

Under component 1, the project will finance the unfinished works from ENRRP in addition to a new segment. ENRRP current progress on segments 1 and 2 is 75% completion, on segment 4, it is 42% and on segment 5, it is 62%. All buildings (signaling towers hosting the signaling equipment and the traffic control rooms) are already finished or in the advance status of execution. The works during construction under component 1 will include trenching along the railway to install new cables in addition to the installation of wayside equipment, block system, interlocking equipment which will also be installed along the tracks. At level-crossings, level-crossing protection systems will be installed consisting of visual and audio signaling gate where the track intersects with crossing streets. The project signaling cables will cross the Nile river in 5 points, 2 in Cairo and 1 in each of Giza, Assuit and Menya. Horizontal Directional Drilling (HDD) will be used to lay down the cables under the river using environmentally friendly water-based drilling fluid.

Track renewal will require using equipment to remove the old tracks (rails, sleepers or containment), which are usually made of wood or concrete to replace it with the new ones. signaling tower buildings (3 story structure) is required to house the controls and interlocking equipment in several locations along the track, and a small structure to house equipment is also needed at level crossings. RISE will mostly rehabilitate existing buildings and will include the construction of very few buildings. The works under Component 1 will take place within ENR's existing Right of Way.

The following key risks and impacts are relevant to be considered for Component 1 and associated facilities:



1- Occupational Health and Safety hazards that may result in a wide range of injuries from minor to fatal, including train/worker accidents, rotating and moving equipment, electrical hazards, fire and explosions, eye hazards, noise and vibration, and fatigue including Struck by moving objects, .

2-Environmental impacts include typical construction-related impacts such as air and noise emissions from using equipment, unloading/uploading of ballast and sand, soil and adjacent water bodies' pollution in case of leakage of fuel and wastewater generated from the workforce or wastes mismanagement including drilling muds and cuttings, generation of wastes, as well as traffic impacts due to the movement of the project vehicles, trucks and construction equipment to/from the site. The project will result also in considerable quantities of inert waste (concrete ties), metal (rails) and potentially hazardous waste including (1) wooden ties which might be coated by benzo-pyrne or (2) ballast contaminated with oil and grease. It should be noted that during ENRRP track renewal activities, samples from wooden ties were sent to Laboratories in Italy and found to be free of carcinogenic contaminants.

3- Community health and safety impacts during operations include noise and dust, road and train accidents along the railway corridor. During construction, communities adjacent to the works may be exposed to risks of noise and dust, traffic disruptions, accidents, general construction hazards, and personal safety, including sexual harassment. The COVID-19 pandemic also introduces potential risks of community exposure through contagion pathways such as meetings, stakeholder engagement sessions and construction sites, and from train travel in general.

4- Acquisition of new private land is not anticipated because activities take place within the established ROW of ENR. However, tenants and informal users present within the ROW may experience impacts from loss of land or assets, that is needed for project activities. A more systematic approach to the management of land-impacts is proposed for RISE (see ESS5).

After completion of the signaling and track upgrading works in around 6 years, RISE project will enable maximizing the capacity of the current railway tracks, especially in Segment 3 where no signaling has begun. In light of the demand forecasts and ENR resource plans, the traffic increase resulting from the project is expected to be insignificant in all segments.

Component 2.2 will include minor civil works and installation of safety equipment in the stations within the 760 Km under RISE project. This might include surface color effects to assets that are involved in providing visual alertness, providing segregating lines/space for ticketing queues and waiting areas, rehabilitation of toilets in the stations and providing surveillance systems. The impact associate with Component 2.2 implementation will include dust, noise, waste generation as well as occupational health and safety and other standard risks and impacts of construction. The environmental risks and impacts are expected to be site-specific, reversible and of low magnitude that can be mitigated following appropriate measures.

Component 3 will include Project Management and Technical Assistance TA. TA will focus on capacity building activities as well as identifying future investments to enable institutional reforms in ENR and enhance ENR staff capacity to deliver safety and operational efficiency. At this stage, the type and scale of the projects, which the TA will support in developing their feasibility studies and E&S instruments, are not identified. The application of the outcomes of the TA will entail environmental and social implications depending on the scale, type and location of the future projects. Therefore, the Environmental and Social Commitment Plan (ESCP) includes a commitment to



undertake the TA according to the WB requirements. The ToR will include the requirement of assessing the environmental and social risks associated with the application of the TA in accordance with the relevant ESSs. Also, Component 3 will finance project supervision including the implementation of the E&S instruments. Activities will also be subject to a Project Implementation Audit that will also check compliance with ESF requirements.

Overall, the project will have positive impacts through improving safety and operational efficiency within the project area through reducing (1) fatalities and serious injuries from railway accidents and (2) GHG emissions compared to other freight and transport models. Component 2 is designed to increase the mobility of poor and vulnerable people, specifically female commuters as well as people with disabilities, giving them greater access to income generating activities. With regards to female commuters, the project will focus on some of the gender-disproportionate safety concerns of female rail users, such as lack or non-functional washroom facilities, poor lighting as well as unsafe feeling in crowded areas (e.g. queues for tickets and in trains, which could lead to waiting for the next train). Those safety concerns were identified in the Egyptian National Railways Gender Assessment “Achieving High Quality, Safe & Secure Rail Services” financed by the European Bank for Reconstruction (EBRD) and conducted in 2015 as well as during the focus group discussions conducted as part of the ESF instruments preparation for RISE.

In accordance with the ESF requirements, ENR has publicly disclosed the five instruments listed above. The ESCP requires the satisfactory implementation of all projects E&S instruments and management plans during the project life cycle. Under Component 1, all contractors involved in the project implementation will prepare and implement Contractors ESHS Management Plans that meet ESF requirements. ENR will include the relevant E&S requirements derived from the cleared instruments into the ESHS specifications of the procurement documents with contractors through amending the existing works and supervision contracts under Component 1 and including the requirements in the procurement documents for future contractors. the PMU will ensure that the contractors comply with the ESHS specifications of their respective contracts and other relevant Good International Practice (GIP). For component 2, once the interventions are identified ENR will prepare E&S instruments in accordance with the ESA, including ESMPs and ESMP checklists. The instruments will detail the mitigation measures that will be implemented during the interventions’ lifetime.

ESS10 Stakeholder Engagement and Information Disclosure

ESS10 is relevant to the project. The project has a variety of project-affected parties including: local communities in area adjacent to construction sites that may experience adverse environmental and social impacts from construction (e.g. noise, dust, traffic, community health and safety impacts) as well as positive impacts of job opportunities; train users, who may experience train delays from construction; women, people with disabilities, children and the general public who can benefit from the safety improvements under Component 2; vendors and service providers affected by safety improvements at selected stations under Component 2; and land tenants/users within the ROW impacted by work activities. Other stakeholders include other government ministries and local governments across 12 governates within the project area; civil society; and, media.

A Stakeholders Engagement Plan (SEP) has been developed to set out how the project will engage systematically with its stakeholders in an inclusive and culturally appropriate manner throughout the project life cycle with the aim of supporting effective management of environmental and social risks. The SEP has been disclosed and consulted prior to appraisal.



During the preparation of RISE, a public consultation (November 19, 2020) was conducted on the draft ESIA, SEP and RF documents that were disclosed in Arabic and English prior to the event. The consultation was held virtually due to COVID-19 restrictions and was attended by about 30 participants. Issues raised during this consultation included, recommendations for better outreach during project implementation (e.g. use of local NGOs, female village leader (ra'edat rifiyat), use of social media, if land will be needed for the project and resettlement process for encroachers, if any, accessibility for persons with disabilities, women inclusion and other broader topics including, cleanliness of wagon and of the rail corridor, alternatives of fuel used, and technology used, and reasons for delays of ENRRP. In addition, a small sample of rail users and members of communities adjacent to signaling works (51), majority of women, were invited to be interviewed individually or in small groups. Feedback from these sessions indicated an overall positive view that the train is the most appropriate means of transportation for men and women due to its low cost, ideal for families, and women feel safer because of the spaciousness of wagons and waiting areas, and business opportunities near stations. Concerns raised included train delays, overcrowding, and lack of facilities. The latter was also a concern expressed from rail workers. Interviewed members of neighboring communities did not raise any concerns about disturbances or negative interactions with ENRRP workers or work sites. Records of consultations are included in the SEP.

The SEP sets out a stakeholder engagement program to disclose information and consult with stakeholders during project implementation and operational phases. The SEP addresses lessons-learned from previous consultations activities (e.g. structured consultations for ESIA and RPF on ENRRP; outreach activities by contractors in local communities; engagement with tenants or land users within ROW whose assets, rental arrangements or livelihoods were affected by project activities), by outlining a more systematic and consistent approach to stakeholder engagement using a variety of methods. As per the SEP and ESCP, ENR is required to develop a project webpage that contains key project documents and information, maintains an up-to-date project schedule which informs the public of any train delays and upcoming stakeholder engagement activities and access to the project GRM. Information about the project will also be disseminated for posting on the social media pages or the diwan of governorates, cities and villages, as available, where project is taking place. Contractors will also be required to undertake consultation activities in the areas where they are working. As per ESIA/ESMP Contractors' ESHS Management Plans shall set out the methods and timing of engagement with local communities before and during works, including but not limited to clear signage at construction sites.

Under Component 2, all sub-projects will be screened for environmental and social impacts and risks, and stakeholder engagement requirements will be determined proportionally to the risks and impacts. In addition, passengers satisfaction surveys will be conducted with about 150 participants in each of the pilot stations of component 2, with the aim of reaching 90% passenger satisfaction at the end line. Finally, as part of the project, ENR's citizen's charter will be improved to include channels for addressing or routing complaints, as well as the responsibilities and expected conduct of passengers/railway service users to promote inclusion and safety of passengers.

ENRRP has a project-level GRM in place, with a designated contractor focal point as well as a contact point from the ED team, posted at worksites. Information on those channels are posted on signs at each construction site. The GRM is not considered to be functional as it is not processing any complaints. The project will continue to use the project-level GRM, as outlined in the SEP, for construction-related activities. Measures to improve the Project GRM, including establishing linkages to the broader ENR GRM will be completed before Project Effectiveness. The project is also required to develop appropriate channels to handle any potential complaints related to gender-based violence. , potentially building on a women's safety campaign launched in December 2020 by ENR with support from EBRD, which includes a hotline for receiving GBV related complaints. As per the ESCP (and the Results Framework), the



project will conduct an assessment of the ENR-wide GRM against ESS10 requirements and development and implementation of an action plan.

The SEP considers social distancing requirements imposed in the country under COVID-19 circumstances, and precautionary measures will be taken for as long as the risk exists, to minimize the risk of COVID-19 transmission during any planned stakeholder engagement activities (such as avoidance of public gatherings, public hearings, workshops and community meetings, use of online communication tools to design virtual workshops).

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The project has developed Labor-Management Procedures (LMP) to establish and maintain a safe working environment consistent with national law and ESS2 for all project workers. The project's workforce comprises the following: a) direct workers of the PMU (supported by around 20 ENR employees who coordinate some project activities); b) contracted workers of construction contractors who are undertaking works under Component 1 and 2, as well as supervision and project management consultants; and c) primary supply workers of primary suppliers of raw materials for critical project activities including construction borrow materials and sand, ballast and railway ties for track renewal.

The project workforce mainly consists of the same contracted workers hired by two existing international contractors (and their sub-contractors) to complete the remaining signaling modernization and track upgrade works rolled over from ENRRP under Component 1. New contractors and their workers will be procured for works under Segment 3, and the small to moderate-sized sub-projects under Component 2. Contracted workforce also includes the workers of Supervision Consultants, Project Management Consultants and Auditors. Contracted workers are predominantly male and are mainly semi-skilled and unskilled workers but also include skilled engineers and technical staff. Semi-skilled and unskilled workers are hired from areas surrounding the various work sites thus labor influx is considered low. There are no worker accommodations; skilled workers reside in local apartments or hotels, or in Cairo. The total estimated contracted workforce is 2800, around 550 per segment. Works under Component 1 of RISE are at an advanced state, and the contracted workforce is expected to decline within two years of project effectiveness.

The project's LMP and ESA outlines potential labor risks associated with the project that include: lack of written contracts; unfair wages or overtime pay; risks of child labor in construction ; discriminatory practices; OHS risks such as Physical hazards (i.e. Noise, using equipment, electrical, hot work, traffic or moving vehicles including trains, working at height), Chemical hazards (i.e. fire, exposure to hazardous material); working in confined spaces during trenching; and, contagion risks of COVID-19. Accordingly, the LMP outlines the applicable regulatory requirements and project policies and procedures to manage these risks including terms and conditions of worker contracts and Contractor Management. To mitigate against the risks of child labor, the LMP prohibits hiring of workers below the age of 18. This will be reflected in the contracts with contractors, and subcontractors. Age verification and documentation in a labor registry is required as per the LMP. The LMP sets out roles and responsibilities for identifying and monitoring and preventing child labor risks in the contractor, sub-contractor and primary supplier workforce. . The PMU has overall accountability for implementing the LMP and passing on requirements to their



supervision consultant and contractors (and sub-contractors). The Supervision Consultant has the day to day responsibility of monitoring compliance of contractors and sub-contractors with contractual requirements and the LMP.

Site observations from various World Bank implementation support missions of ENRRP, indicate that the labor and health and safety performance of the two main existing contractors has generally been considered adequate (e.g. availability of drinking water and sanitation, emergency response equipment, good signage and housekeeping; workers wearing PPE; requisite social insurance coverage according to national law). Contractors have also proactively implemented additional measures to protect workers from COVID-19. However, fatalities also occurred. Lessons-learned from ENRRP unfortunate fatalities will be incorporated in contractors' OHS plans to be prepared such as requiring reduced train speeds near work locations; and safety hazard analyses of security services. These two main existing contracts are being extended under RISE and will include enhancements to align with the ESF. A new contract is in bidding stages for the additional Cairo-Giza-Beni Suf segment (signal modernization and track renewal) under World Bank Standard Procurement processes for International Competitive Biddings that are aligned with ESF requirements. At the same time, ENR has four-track upgrade contractors to complete works on various segments. These contracts will also be reviewed for alignment with ESF requirements and amended where feasible.

The LMP requires that the project adopt a Code of Conduct that is applicable to all Project Workers to mitigate against risks of gender-based violence, in particular Sexual Exploitation Abuse or Sexual Harassment (SEA/SH), that may be experienced by vulnerable workers, or members of the community when interacting with project workers (see also ESS4). The LMP establishes a separate grievance mechanism for project workers to raise and resolve workplace-related concerns.

ESS3 Resource Efficiency and Pollution Prevention and Management

ESS3 is relevant. The works along the 760 Km under component 1 and 2 will generate pollution in different forms. Air emissions will include fugitive emissions generated by fueled equipment and dust as well as noise emissions, especially during unloading/uploading of ballast and sand. Also, different types of wastes will be generated during construction, including non-hazardous and hazardous waste from signaling modernization, HDD and track renewal. Spillage and leakage of fuel or drilling muds and cuttings, as well as mismanagement of hazardous and non-hazardous waste might cause soil pollution or water bodies' contamination. In ENRRP, ENR and the international contractors satisfactorily implemented the Environmental and Social Management Plans ESMPs for the different project segments which included similar impacts during the project. Relatively few noncompliances and non-conformities were reported and observed during the bank team site visits. ENR and the international contractors were always committed to rectifying the identified noncompliances.

In addition to food waste, wastewater and hazardous waste during construction activities, the project and its associated facilities will be generating a considerable amount of wastes including:

- Inert waste (old concrete ties) and old ballast to be replaced
- metal waste (dismantled rails)
- Potentially hazardous waste including (1) wooden ties which might be coated by a hazardous benzo-pyrne or (2) ballast contaminated with oil and grease.



ENR contractors will prepare segment-specific pollution management plans including Air and noise emission management plan, waste management plan (WMP), and hazardous waste and material management plan (HAZMAT) in accordance with the ESA. The plans will be developed in accordance with the ESF requirements and considering the ESA prepared for the project. The WMP and HAZMAT will consider the mitigation hierarchy in the ESF and will include the requirements to representatively test the wooded ties and Ballast to confirm their disposal/reuse techniques. It should be noted that during ENRRP track renewal activities, samples from wooden ties were sent to Laboratories in Italy and found to be free of carcinogenic contaminants.

Using HDD technique will avoid any direct impacts to the Nile river, however, mismanagement of wastes, spillage and leakage of fuel or drilling muds and cuttings may adversely impact the river. Accordingly, the waste management plans will be require reinforced monitoring during working in the vicinity of the water recourse.

The project will consume raw materials such as sand and ballast that would be sourced from different quarries along the 760 KM of the project during the lifetime of the project. It is expected that the project will consume around 130 m3 of sand and 360,000 m3 of ballast. The raw materials will be purchased only from licensed legal bodies and the contractors will be required to ensure that the primary suppliers are authorized by the Ministry of Environment.

Using herbicide was envisaged under RISE project at an early stage to protect the underground cables' pipes from roots of plants along the railway track. The ESA concluded that the project will use harder pipes that cannot be penetrated by the roots of the small plants. Also, mechanical methods will be used if necessary, to remove unwanted plants.

It is not expected that cumulative impacts associated with material sourcing will be significant, as the project will source material from different existing legally authorized quarries. Also, sourcing of the material will take place during the lifetime of the project (5 years) as the signaling works advance.

The project will have positive impacts through the operational efficiency of the project's segments by reducing GHG emissions compared to other freight and transport models.

ESS4 Community Health and Safety

ESS4 is relevant to the project. The project takes place within the context of the entire 760km railway network infrastructure and operations (and which the project will contribute to improvements in certain aspects): the network is not enclosed and pedestrians regularly use the railway tracks as walking paths, passengers regularly open train doors while the train is moving, and train derailments and accidents do occur.

Component 2 of the project is designed to improve overall safety performance of ENR, with resulting benefits for public safety, and measures specifically designed for safety of women and people disabilities. As per the focus group discussions conducted as part of the ESF instruments preparation for RISE and the Egyptian National Railways Gender Assessment financed by EBRD, in 2015 concerns expressed include lack or non-functional washroom facilities, poor lighting as well as unsafe feeling in crowded areas (e.g. queues for tickets and in trains, which could lead to waiting for the next train).



As mentioned under ESS10, surveys of train users at pilot stations, and other stakeholder engagement tools, will be conducted to inform the design of sub-projects under Component 2, building on previous studies in the railways sector. For example, the European Bank for Reconstruction and Development (EBRD)'s gender assessment (Safe Transport for All, 2016), indicates that 69% of women surveyed "are dissuaded from using the train to commute to work because of security concerns".

The risks related to gender-based violence have been assessed as moderate. During construction, communities adjacent to the works may be exposed to risks of noise and dust, traffic disruptions, accidents, and general construction hazards. Community interactions with work crews and resulting risks of inappropriate conduct or sexual harassment, are limited, as work crews are from the local area. However, given the diffuse geographic activities, including hard to supervise areas, mitigation measures against sexual exploitation and abuse and sexual harassment are required. All project workers will be required to understand and sign a Code of Conduct. The project will be required to develop and implement appropriate channels for receiving and handling any potential project-related SEA/SH complaints.

Sub-projects under Component 2 will be screened for Community Health and Safety impacts under the ESMF including safety for women and other vulnerable groups, structural integrity and universal access for disability. Where sub-projects include any new buildings or structures, the concept of universal access will be applied where financially and technically feasible.

The COVID-19 pandemic also introduces potential risks of community exposure through contagion pathways such as meetings, stakeholder engagement sessions and construction sites, and train travel in general. The ESA will evaluate community health and safety risks and recommend further enhancements.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

ESS5 is relevant to the project. The project activities under component 1 (i.e. building equipment shelters, trenching for cables, main and secondary technical buildings) take place within the existing right of way (ROW) of the railway corridor, owned by the state. The most significant land needs of the project are related to the Main Technical Buildings (MTB) that each occupy an area of about 400 m². The designated MTB land plots are usually vacant, but in limited number of cases, the plot has been rented by ENR to employees or farmers, who pay an annual fee to ENR, or the land is sometimes encroached informally. Accordingly, a Resettlement Policy Framework (RPF) (2017) was originally prepared and disclosed for ENRRP in accordance with World Bank Operational Safeguard Policies (OP 4.12).

Though land-impacts are limited in scale, and while ENR Environment Department, with World Bank support, has put in place internal systems to complete land surveys along the corridor and screen and mitigate for land-related risks at work sites; there remains a lack of adherence to the RPF, mainly in lack of screening to avoid and mitigate economic displacement impacts, before they occur. As explained above, the lack of coordination within ENR has contributed to lack of adherence to the RPF. There are instances of non-compliance with the project's RPF at 7 sites, affecting 67 PAPs that are relevant for RISE. Outstanding land issues from ENRRP, that will carry forward to RISE, include retroactive documentation, and corrective actions where necessary, for 3 sites out of 7 (i. SER 1 – Beba, ii SER 18 – Deirut, iii Manqabad EIS), for the economic displacement of approximately 53 land tenants (out of 67), who partially



lost rented plots without adequate prior assessment and documentation of the livelihood impact in accordance with the ENRRP RPF. The World Bank has also received documentation for 3 other sites (. SER 9 - Matai, ii. SER 3 – Fashn, iii. SER 11—Minya) for the economic displacement of 8 PAPs, and these are under review by the Bank, while issues at one site (Deirut LX - 6 PAPs) have been resolved and will not need further follow up during RISE. All remaining land issues under ENRRP will continue to be supervised beyond ENRRP closing date. The outstanding Resettlement Plans are also reflected as commitments in the ESCP for RISE to be finalized, cleared and disclosed prior to effectiveness.

During preparation of RISE, the RPF (disclosed on November 2017) has been updated to meet ESF requirements and to include the additional geographic scope. The updated RISE Resettlement Framework (RF, November 2020) was cleared and disclosed by the bank on [date will be included once it is cleared and disclosed]. The updated internal procedures for addressing procedural deficiencies for screening of impacts were included in the updated RF and will be included in the Project Operations Manual (POM). The RF also includes additional due diligence of the new Segment 3 to better understand recent and future land related impacts for signaling towers and shelters at level crossings. The RF indicates that 19 MTBs are needed for Segment 3, 18 of which will be housed in existing rehabilitated buildings. One MTB will be constructed at Bashtil station, on an empty land plot that is part of larger area under development by ENR. The updated RF also considers the possibility that contractors may rent land within the ROW for temporary storage of the new track materials, as part of the track upgrading and sets out an appropriate protocol for this arrangement based on mutually acceptable conditions between the two parties. . Railway segments 1,2,4,5 under ENRRP required approximately 50 MTBs, all of which are either completed or under construction, so no new land plots for MTBs are required for these segments.

Land Acquisition is not expected in connection with Component 2. A screening tool has been developed as part of the ESA and land related issues will be identified at screening stage in the process. If any land will be needed, RPs will be prepared.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

The project interventions will be limited to the existing footprint of the railway corridor and none of the sites are located in legally protected areas or areas of high biodiversity values. This project will consume raw materials such as gravel and sand but it would be purchased from sites that are licensed and authorized by the Ministry of Environment. The impacts on water resources including marine biodiversity is not expected, however wastes mismanagement especially during the HDD or working in close proximity to the river/branches might result in the release of contaminants to the water resources. Relevant mitigation measures will be taken to avoid any river pollution.

ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

As no indigenous communities, according to ESS7, are present in the targeted geographic locations of the project, the ESS7 is currently not considered relevant to the project.

ESS8 Cultural Heritage



ESS8 is currently relevant. The project will proceed to excavations works even relatively shallow (1-1.5 m) and knowing the passed record history of the country on cultural heritage, the contractors will apply the Chance find procedures as a precautionary measure as required by the E&S instruments for RISE.

ESS9 Financial Intermediaries

ESS9 is not currently relevant as it is not envisaged to use this financing modality.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework? No

Areas where “Use of Borrower Framework” is being considered:

Use of Borrower Framework is not being considered.

IV. CONTACT POINTS

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Borrower/Client/Recipient

Borrower: Arab Republic of Egypt

Implementing Agency(ies)

Implementing Agency: EGYPTIAN NATIONAL RAILWAYS

Implementing Agency: Ministry of Transport

Public Disclosure



V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

Task Team Leader(s):	Arturo Ardila Gomez, Nargis Ryskulova
Practice Manager (ENR/Social)	Dahlia Lotayef Cleared on 22-Dec-2020 at 17:04:29 GMT-05:00
Safeguards Advisor ESSA	Gael Gregoire (SAESSA) Concurred on 22-Dec-2020 at 17:11:5 GMT-05:00