

Executive Summary

The Project is a proposal to provide a loan equivalent to USD200 million in euros to the Republic of Benin for the Grand Nokoué Sustainable Urban Mobility Project (the Project), to improve the transportation of goods and people within Grand Nokoué, and address Benin's national development priorities to reach its Greenhouse Gas (GHG) reduction national targets and foster prosperity through economic integration. The loan is a 30-year (10-year grace) made on standard terms for sovereign-backed variable spread loans.

The Project will provide climate-resilient, safe, and reliable transport infrastructure and services, and will support the development of the e-mobility sector. It will build institutional capacity to foster the sustainability of the transport sector in Grand Nokoué, in areas such as governance, planning, financing and safety. The Project, jointly financed by the World Bank Group's International Development Association, is AIIB's first project in Benin, as well as AIIB's first experience in multimodal e-mobility, specifically the first in implementing a new e-bus network, an electric river-lake transportation system, and a large-scale renewal program to replace internal combustion engine motorcycles with electric two-wheelers, with the mobilization of private capital.

The Project is enshrined in the country's Nationally Determined Contributions, as a measure to achieve its climate mitigation objectives. It aims to trigger a 12% reduction in the mobility-related GHG emissions in Grand Nokoué over the period. It will also facilitate the growth of trade and improve West Africa's connectivity with Asia by rehabilitating access roads to the Autonomous Port of Cotonou (APC), the gateway for Benin and the hinterland countries of Niger, Burkina Faso and Mali. It will reduce travel time and operating costs for freight operators, while increasing transport efficiency and road safety on the main road corridors connecting the APC to regional industrial and trade hubs (GDIZ, Wholesale Market). The Project is aligned with AIIB's Strategy on Financing Operations in Non-Regional Members, and with AIIB's four thematic priorities.

To provide a harmonized approach to addressing the ES risks and impacts of the Project, and as permitted under AIIB's ESP, WB's ESF applies to the Project in lieu of AIIB's ESP. WB has categorized both ES risks of the Project as "High" and is rated as Category A per AIIB's ESP. Further details are provided in the Project Document.

Project No. and Name	P000936 Grand Nokoué Sustainable Urban Mobility Project		
AIIB Member	Benin		
Borrower	Republic of Benin		
Guarantor	Not Applicable		
Project Implementation Entity	Road Infrastructure and Land Management Company		
Proposed Amount of AIIB Financing (USDm)	USD200.00	Instrument type (Instrument subtype)	Loan (Direct Sovereign)
		Currency of financing requested	Euro
Sector (Subsector)	Transport (Multi-subsector)	E&S Category and Comments (if any)	A, World Bank's ES policy applies.
Project Objective	To enhance urban mobility, transport safety, and access to inclusive and sustainable transport services along selected corridors in Grand Nokoué		
Project Description	The Project, jointly financed by the WB's International Development Association, aims to address critical accessibility challenges caused by rapid population growth and economic dynamism in the Grand Nokoué region, the main urban area of Benin. The Project will provide climate-resilient, safe, reliable and less-polluting transport infrastructure and services. The Project will also support the development of the e-mobility sector. Finally, it will build institutional capacity to foster the sustainability of the transport sector in Grand Nokoué, in areas such as governance, planning, financing and safety. The Project comprises five components: 1) Improvement of the transport sector governance in Grand Nokoué, 2) Professionalization of paratransit operators and strengthening of road and waterway safety oversight and management, 3) Improvement of transport conditions, including a) Operationalization of multimodal public transport services, b) Provision of infrastructure supporting sustainable and multimodal transport. 4) Electrification of motorcycle taxi, including a) Supporting a pilot program, b) Deploying a large-scale fleet renewal program, and c) Developing a local e-mobility industry on electric motorcycles 5) Capacity building and project management		
Implementation Period	Start Date: May 01, 2025	Expected Loan Closing Date	December 31, 2030

*Data in this Project Summary Sheet is auto-generated from the project data in IMIS.

	End Date: May 01, 2031		
Co-financing type	Co-financing led by another financier	Following other Financier's E&S Policy?	Yes
Lead financier	World Bank Group	Following other Financier's Procurement Policy?	Yes
Financing Plan	Total project cost: USD500 million AIIB: USD200 million (equivalent)WB: USD200 million Private sector: USD100 million		
Policy Assurance	The Vice President, Policy and Strategy, confirms an overall assurance that the proposed Bank Financing complies with the applicable Bank operational policies.		

Risk	
Key Risks	Mitigation Measures
E&S risks and impacts during construction and operation	Environmental and social risks and impacts will be addressed through the Environmental and Social Management Plan (ESMP), site-specific Environmental and Social Impact Assessment (ESIA), and Strategic Environmental and Social Assessment (SESA). In collaboration with WB and with their agreement, arrangements will be established to enhance the client's capacity and environmental and social monitoring systems. This includes providing additional support to clients and engaging an independent monitor. Close supervision by the WB team alongside the AIIB team is planned. A Social and Vulnerability Assessment will be conducted to address the risk of exclusion of socially disadvantaged groups and increased vulnerabilities among at-risk populations. This assessment will be disclosed before project appraisal to ensure transparency. A Stakeholder Engagement Plan (SEP) will be developed to outline key engagement measures, particularly concerning fleet renewal under Component 4. The SEP will detail stakeholder consultations on project implementation risks, focusing on the needs of women, children, and persons with disabilities, ensuring they are not excluded from project benefits during implementation and the operational phase. Livelihood restoration plans will be created as needed to mitigate any livelihood losses, based on findings from the Social and Vulnerability Assessment and the final technical designs.

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Implementation capacity	The Project involves a large number of stakeholders, with complex division of responsibilities across institutions. This risk related with inadequate implementation capacity will be mitigated by (i) engaging all stakeholders from the project's onset ; (ii) strong commitment from the Republic of Benin to set up an urban mobility lead institution, which shall be established before project's completion; (iii) a well-staffed PIU with the necessary technical skills; (iv) technical support to support the institutional stakeholders during project implementation; (v) hiring qualified transaction advisors to recruit public transport operators.
Land acquisition and resettlement	There are potential significant risks and impacts related to land acquisition and resettlement due to activities related to rehabilitation and construction of roads and bridges in urban environment. AIIB will work closely with WB to provide capacity support to client during Project implementation to ensure that the RPF (Resettlement Policy Framework), RAP for ATC road section are implemented according to the Plan, together with ensuring the establishment of a functional GRM.
Economic Capital (ECap) Consumption	38.32USDm 24.11%

Strategic Alignment				
Alignment with AIIB's thematic priorities		Green infrastructure; Connectivity and Regional Cooperation; Technology-enabled Infrastructure; Private Capital Mobilization		
Alignment with AIIB's strategies		Strategy on Financing Operations in Non-regional Members; Transport Sector Strategy; Sustainable Cities Strategy		
Key Outcomes	Indicator	Unit of measure	Baseline (Year)	Target (Year)

Other Key Financing Requirements	
Conditions of Effectiveness	Loan Agreement, Article V, Section 5.01. (a) the Subsidiary Agreement has been executed on behalf of the Borrower and the Project Implementing Entity in accordance with the requirements of the Loan Agreement; (b) the Co-financing Agreement has been executed on behalf of the Co-financier and the Borrower, and all conditions precedent to its effectiveness or to the right of the Borrower to

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	make withdrawals under it (other than the effectiveness of the Loan Agreement) have been fulfilled; and (c) the Project Co-lenders' Agreement has been executed on behalf of the Bank and the Co-financier, and all conditions precedent to its effectiveness (except for the effectiveness of this Loan Agreement) have been satisfied.
Key Conditions for 1st Disbursement	Loan Agreement, Schedule 2, Section IV.B.1(b) The Borrower has entered into a Delegated Project Management Agreement with the Project Implementing Entity pursuant to the requirements under the Loan Agreement, and in form and substance acceptable to the Bank.
Key Covenants	Loan Agreement, Schedule 2, Section I.A.1.(a) and (b) The Borrower shall establish, no later than one (1) month after the Effective Date, and thereafter maintain, throughout the period of implementation of the Project, a steering committee (the "Project Steering Committee") with terms of reference, composition and resources acceptable to the Bank, which shall: (i) be responsible for, among other things, the general oversight of the Project; the provision of strategic guidance and sector coordination; the effective collaboration and cooperation between all key stakeholders; and the approval of the Annual Work Plans and Budgets; (ii) be chaired by the minister of finance and include representatives of the Borrower's key ministries and one representative per each municipality of Grand Nokoué, each designated with sufficient authority to personally and actively contribute to the discussion and decision making during the Project Steering Committee meetings; and (iii) meet at least twice a year. Loan Agreement, Schedule 2, Section I.A.2.(a) and (b) The Borrower shall establish, no later than one (1) month after the Effective Date, and thereafter maintain, throughout the period of implementation of the Project, a technical committee (the "Project Technical Committee") with terms of reference, composition and resources acceptable to the Bank, which shall: (i) provide technical guidance to the Project Implementing Entity; (ii) include representatives of the relevant public agencies involved in the mobility sector, each designated with sufficient authority to personally and actively contribute to the discussion and decision making during the Project Technical Committee meetings; and (iii) meet at least every trimester. Loan Agreement, Schedule 2, Section I.B.1. The Borrower shall make the proceeds of the Loan available to the Project Implementing Entity for the carrying out of the Project in the name and on behalf of the Borrower, under a

	Subsidiary Agreement under terms and conditions acceptable to the Bank. Loan Agreement, Schedule 2, Section I.C.1. The Borrower, through the MCVT, shall enter into an agreement with the Project Implementing Entity, pursuant to which the Project Implementing Entity shall carry out the Project in the name and on behalf of the Borrower on the basis of a delegation from the Borrower to do so and be paid its services as a delegated manager for the execution of the Project, all under terms and conditions acceptable to the Bank. Project Agreement, Schedule, Section I.A.1.&2. The Project Implementing Entity shall by no later than one (1) month after the Effectiveness Date establish, and thereafter maintain, at all times through Project implementation, a Project implementing unit with key staff (in adequate number), terms of reference and resources satisfactory to the Bank ("SIRAT PIU"), which shall: (a) recruit or appoint, and thereafter maintain throughout Project implementation: (i) a Project coordinator, (ii) a procurement specialist and a procurement assistant, (iii) a financial management specialist, (iv) environmental and social specialists as indicated in the ESCP, as well as (v) any other staff needed to assist in the Project implementation and coordination as further specified in the PIM; each with experience, qualification and terms of reference acceptable to the Association; and (b) be responsible for day-to-day Project coordination and implementation of the Project, including, inter alia: carrying out financial management, procurement activities and contract execution, planning, supervision, monitoring and evaluation, reporting, implementation of environmental and social measures, implementation and compliance with the fiduciary requirements and management of the Project's accounts. Project Agreement, Schedule, Section I.B.1. The Project Implementing Entity shall develop and adopt, no later than one (1) month after the Effective Date a manual for the Project (which may be embodied in one or more documents and which is referred to, collectively or individually, as the "Project Implementation Manual" or "PIM") in form and substance acceptable to the Bank. Project Agreement, Schedule, Section I.C.1. The Project Implementing Entity shall, not later than one (1) month after the Effective Date for the year in which the Project Agreement shall become effective, and November 15 of each
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	subsequent year, consolidate and furnish to the Bank and the Co-financier for the Bank's and the Co-financier's no objection, a consolidated annual program of activities proposed for implementation of the Project during the following year, together with a proposed budget which shall include the funds from the Loan, the Co-financing, as well as any other funds which may become available for the implementation of the Project.
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President	Liqun Jin
Chief Investment Officer	Kim-See Lim
Director General	Rajat Misra
Project Team Leader	Jawad Bentabet, Investment Officer
Project Team Members	Luiz Eduardo Rodrigues, Alternate Counsel Alberto Alcubilla Arribas, Climate Specialist Yuning Chen, Project Counsel Maya Gabriela Villaluz, SFD - Environment Specialist Shonell Robinson, SFD - Financial Management Specialist Chandra Mishra, SFD - Procurement Specialist Monyrath Nuth, SFD - Social Development Specialist Rashmi Ramanath, Team Member Pobploy Wattanakrai, Team Member Lucas Bispo de Oliveira Alves, Team Member Shinan Qin, Team Member Chang Tian, Team Member