

INTERNATIONAL UNION OF RAILWAYS

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## New Partnership to Leverage World Bank Group Experience in Railway Transport Sector

Future collaboration to profit developing countries

**WASHINGTON, D.C. February 12, 2010** – The World Bank Group and the International Union of Railways agreed to formalize cooperation to develop and undertake a number of initiatives to benefit the railways sector in developing countries.

Under a Memorandum of Understanding (MoU) signed yesterday, the two organizations will share knowledge, lessons learned, information and data. The MoU was signed by Jamal Saghir, Director, Energy, Transport, and Water Department, on behalf of the World Bank Group. Jean-Pierre Loubinoux, Director General, signed on behalf of the International Union of Railways. Yoshio Ishida, UIC Chairman was also present in Washington for this event.

"This partnership is aligned with World Bank Group's Transport Business Strategy: Safe, Clean, and Affordable... Transport for Development." said Jamal Saghir. "The Bank Group's lending for railway projects has significantly increased over the past few years. The Business Strategy proposes to continue this trend to grow a more diversified transport portfolio that addresses transport–for-trade needs and which would also give greater emphasis to public transport service and to energy efficiency."

To support the growing lending portfolio, the Bank Group wants to continue to leverage international experience in railway policy, industry organization and institutions, management structure, asset management and modernization, investment prioritization, opportunities for private sector participation, and sector regulation.

"The signature of this agreement represents an important milestone for the development of a promising cooperation between the World Bank and UIC as the worldwide association representing the rail transport sector", underlined Jean-Pierre Loubinoux, UIC Director General. "The wealth of railway expertise, professional knowledge and experience collected at UIC thanks to its members' contributions – with

around 200 on-going railway cooperation projects – will enable UIC to effectively support the World Bank's strategy of "Safe, Clean and Affordable...Transport for Development" serving economic growth, with particular focus on developing countries. Recently, UIC has put stronger focus on activities related to energy efficiency, sustainability of rail transport, cost effectiveness, a series of objectives that fit perfectly with the World Bank's strategy. The recent launching at UIC of railway cooperation activities tailored to each region of the world should also allow increased synergies with the World Bank".

In addition to activities involving research, data and analysis exchange, database access, and participation in seminars, in the MoU the two organizations have identified areas for possible future collaboration:

- a) developing multidiscipline training programs addressing the changing environment of railway restructuring and upgrading technology; and
- b) carrying out traffic flow studies to identify major railway corridors around the world.

The Paris-based UIC currently groups 200 member railways from all parts of the world. Its main mission consists in promoting the development of rail transport at world level and organising international cooperation among its members. Main cooperation projects are focusing on technical harmonisation and railway standards, development of freight and passenger business (including high speed), sustainability of rail transport, safety and security, training issues. UIC maintains close cooperation links with over 50 international or professional organisations.

The Transport Sector constitutes a significant portion of the World Bank Group's portfolio, with lending of US\$36.7 billion - more than 15 percent of the International Bank for Reconstruction and Development (IBRD) and International Development Association (IDA) commitments - since 2000. In the last decade the railways portfolio has reached over US\$ 3.5 billion. Over 40 percent of the railways lending was for East Asia and the Pacific Region, followed by Europe and Central Asia Region (25 percent). Fiscal year 2009 railways lending reached close to US\$ 1 billion, totaling more than 15 percent of the Bank's transport commitments for the year.

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