

Financing Shortfalls Hinder Road Safety Progress in Low- and Middle-Income Countries

Multilateral Development Banks call for stepped up collaboration and look to the sustainable finance market to unlock investments and save lives

MARRAKECH, 18 February 2025 - Road safety financing faces a critical shortfall, hindering progress toward halving global road traffic fatalities and injuries by 2030. Each year, road crashes claim an estimated 1.19 million lives, leave countless others with permanent disabilities, and impose significant economic costs.

Low- and middle-income countries (LMICs) bear a disproportionate burden, accounting for 92 percent of global fatalities despite having approximately 60 percent of the world's vehicles and just 10 percent of the world's paved interurban roads. The alarming gap underscores the urgent need for action to address this global public health and economic crisis.

This issue was the focus of a meeting today of the Multilateral Development Banks' (MDB) Road Safety Working Group¹ in Marrakech, Morocco, at the [4th Global Ministerial Conference on Road Safety](#). Discussions highlighted the urgent need for large-scale road safety investments to achieve transformative, long-term impacts, particularly in LMICs.

MDBs called for stronger collaboration among national governments, private partners, and the international donor community to bridge the funding gap and advance road safety initiatives worldwide. Results- and policy-based lending, together with sustainable bonds and loans, are pivotal tools for unlocking new financing and ensuring that road safety policies and projects deliver measurable benefits for all road users. These mechanisms align with global efforts to achieve the United Nations' goal of halving road traffic fatalities by 2030.

Between 2018 and 2024, MDBs worked closely with governments to mobilize over **\$6 billion** in road safety financing in LMICs, resulting in significant reductions in road deaths and injuries. These investments enhanced road infrastructure, reduced crash risks, and implemented innovative safety technologies.

Traditional funding mechanisms are proving inadequate to meet the challenges posed by the global road safety crisis, as noted in a recent report, [Financing Road Safety: Catalyzing the Sustainable Finance Market to Bridge the Gap](#), produced jointly by several global institutions. This report highlights new and emerging instruments that can mobilize private capital to fund essential road safety improvements.

¹ *Members of the MDB Road Safety Working Group: African Development Bank Group, Asian Development Bank, Asian Infrastructure Investment Bank, Development Bank of Latin America and the Caribbean, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, Islamic Development Bank, New Development Bank, and the World Bank Group.*

With growing demand for roads and urban transport investments, MDBs estimate that their road safety financing could reach **\$10 billion** over the next decade. Strengthening road safety requires a shared commitment, with national governments playing a central role in prioritizing investments within their transport, law enforcement, and health sectors. Sustainable finance can support and complement domestic efforts—ensuring that road safety remains a strategic priority within national infrastructure planning.

The World Bank’s Vice President for Infrastructure, **Guangzhe Chen**, highlights the World Bank’s [Global Road Safety Facility \(GRSF\)](#) as a key driver of the recent increase in the World Bank’s road safety investments. From 2018 to 2023, GRSF-supported projects helped 65 million people gain access to safer roads, saving thousands of lives in the process.

"Investing in road safety is a top priority for us," says Chen, emphasizing interventions such as road rehabilitation, crash barriers, vehicle safety standards, improved enforcement, and faster emergency response. "Despite progress, road crashes remain a major public health crisis, and scaling up financing is crucial to save more lives. Expanding investment in road safety projects—including through sustainable bonds, blended finance, and other mechanisms to leverage private capital—is one way we can meet this urgent and growing need."

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