

**INTEGRATED SAFEGUARDS DATASHEET
APPRAISAL STAGE**

I. Basic Information

Date prepared/updated: 06/29/2009

Report No.: AC4445

1. Basic Project Data

Country: Georgia	Project ID: P112523	
Project Name: THIRD EAST-WEST HIGHWAY IMPROVEMENT		
Task Team Leader: Christopher R. Bennett		
Estimated Appraisal Date: June 23, 2009	Estimated Board Date: August 27, 2009	
Managing Unit: ECSSD	Lending Instrument: Specific Investment Loan	
Sector: Roads and highways (94%);Central government administration (4%);General transportation sector (2%)		
Theme: Infrastructure services for private sector development (40%);Administrative and civil service reform (20%);Trade facilitation and market access (20%);Regional integration (20%)		
IBRD Amount (US\$m.):	147.00	
IDA Amount (US\$m.):	0.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>Borrower</u>		<u>37.12</u>
		37.12
Environmental Category: A - Full Assessment		
Simplified Processing	Simple <input type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Project Objectives

The project development objectives are:

- (i) To contribute to the gradual reduction of road transport costs and improve access, ease of transit, and road safety along the central part of Georgia's East-West corridor; and,
- (ii) To strengthen the capacity of the Roads Department and related government entities to plan and manage better the road network and to implement a traffic safety pilot project.

3. Project Description

Component A: Upgrading the existing E60 East-West Highway from Sveneti to Ruisi to a dual carriageway road, design and supervision;

Component B: Providing technical assistance and goods to deepen the institutional capacity building initiated in previous road projects specifically in road maintenance and traffic safety;

Component C: Support for project implementation.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

The Project will build a new four lane motorway for the 15km section between Sveneti and Ruisi on a new alignment.

5. Environmental and Social Safeguards Specialists

Ms Darejan Kapanadze (ECSSD)

Mr Satoshi Ishihara (ECSSD)

6. Safeguard Policies Triggered	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)		X
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)	X	
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: The proposed project has been classified as Category A for environmental assessment purposes. The project will build a new four-lane road along existing and new alignment for the 15km between Sveneti and Ruisi, including construction of a new two tube 800 m long tunnel.

The main environmental impacts are expected at the construction phase and come from cleaning of the right-of-way (RoW); establishment/operation of work camps and temporary access roads; operation/servicing of construction machinery; sourcing of construction materials; earth works and works in waterways. Clearing of the RoW will be required for widening of road in the sections where the highway alignment remains unchanged, and for cleaning a new route for the re-aligned sections. This would imply removal of topsoil, cutting of shrubs and trees, and clearing of some buildings.

The road alignment was selected from several alternatives based on several criteria, including its least impact on the vegetation due to construction of a tunnel, though cutting of trees will still be required near tunnel portals. Establishment of construction camps and access roads is associated with generation of solid waste and waste water,

compression of soil, and noise disturbance for nearby population as well as animals. Parking, operating and servicing of construction machinery will carry the risk of operational spills of oils and lubricants and generation of noise, vibration, dust, and emissions. Supply of the highway construction with asphalt, stones, gravel, and sand may carry the risk of disturbance of landscape as well as of hazardous emissions and generation of noise. Construction works will also have important implications for the occupational health and safety of workers / personnel.

Impacts of the improvement of the Sveneti-Ruisi section of the highway during its operation phase are less significant and diverse. Three environmental aspects of the highway operation will be air pollution from automobile emissions, noise, and pollution of soil and surface water with litter and drainage from the highway. Finally, traffic safety will be an important issue with health, social, and environmental implications. The latter will, however, be improved from the current situation by providing a dual-carriageway road.

Some 5.9ha of private land will need to be acquired from seventy nine private entities, including three businesses. About 940 trees will need to be removed. No physical relocation of households is expected to occur.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

Private land may be temporarily occupied to store construction materials. Contractors must negotiate with land owners on terms of land use, and reinstate the land to the original condition once the civil works have completed, as per requirements spelled out in EMP.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The feasibility study considered costs and benefits of alternative alignments, including the impact on land acquisition and on the environment. The final alignment has been selected so that it requires a smaller scale of land acquisition and a lesser volume of tree felling.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The initial environmental overview of the project was carried out at the early stage of its preparation and the report with its findings was publicly discussed on September 20, 2007 in the office of Gori municipality (administrative center close to the project site). The meeting was attended by the representatives of the local government, project-affected communities, and the Ministry of Environment Protection and Natural Resources. Feedback received during this consultation was fully incorporated into the draft EIA report. The draft EIA report was disclosed through the Infoshop (April 13, 2009) and in country (April 14, 2009). The Executive Summary of the EIA report was also posted in the Infoshop (April 21, 2009). A second round of public consultations on

the EIA report held June 29, 2009 in Gori, and planned for June 30, 2009 in the central office of the Roads Department in Tbilisi.

The Resettlement Policy Framework (RPF) was prepared, setting out policies and procedures that will apply to the acquisition of private land and the mitigation of impacts that will trigger OP 4.12. The RPF was reviewed and found to be consistent with the Bank OP 4.12. It was disclosed in-country on April 6, 2009, and through Infoshop on April 9, 2009.

The Resettlement Action Plan (RAP) was drafted by the borrower in accordance with the RPF. A household and market survey was conducted, and the inventory of project impact and the applicable market prices to establish compensation were established. The final RAP will be disclosed prior to completion of project negotiations.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. The Ministry of Regional Development and Infrastructure (MoRDI), through the Roads Department (RD) is responsible for carrying out environmental studies required for the project and for ensuring environmental compliance during the project implementation. Specifically, MoRDI, through RD, will ensure that (i) national legislation and the Bank policies on environment and social protection are followed; (ii) consultation with the public, as needed, takes place; (iii) information is disclosed to the public, as needed; and (iv) information on environmental issues under the project is shared with the Bank.

Within RD, the Division of the Project Analysis, New Technologies, and Environmental Protection under the Office of Technical Policy is responsible for all environmental issues related to highway development. There is one Environmental Specialist in this unit, who has undergone training provided through the TA under the first EWHIP. Current in-house environmental capacity of the RD needs strengthening to ensure quality control of an outsourced function of environmental performance monitoring of works providers, as well as adequate and timely action of RD in response to the information incoming from works supervisors.

The RD will implement the RAP. The RD has a special unit responsible for land acquisition, which under the first and second EWHIP has gained considerable experience in implementing land acquisition as per OP 4.12. The Bank has hired a local consultant based in Tbilisi who has been working closely with RD and provide hands-on support to ensure compliance with OP 4.12.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	04/13/2009
Date of "in-country" disclosure	04/14/2009

Date of submission to InfoShop	04/13/2009
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	04/21/2009
Resettlement Action Plan/Framework/Policy Process:	
Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	04/03/2009
Date of "in-country" disclosure	04/06/2009
Date of submission to InfoShop	04/09/2009
Indigenous Peoples Plan/Planning Framework:	
Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	
Pest Management Plan:	
Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	
* If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.	
If in-country disclosure of any of the above documents is not expected, please explain why:	

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes
OP/BP 4.11 - Physical Cultural Resources	
Does the EA include adequate measures related to cultural property?	Yes
Does the credit/loan incorporate mechanisms to mitigate the potential adverse impacts on cultural property?	Yes
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's	Yes

Infoshop?

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Mr Christopher R. Bennett	06/24/2009
Environmental Specialist:	Ms Darejan Kapanadze	06/23/2009
Social Development Specialist Additional Environmental and/or Social Development Specialist(s):	Mr Satoshi Ishihara	06/24/2009
<i>Approved by:</i>		
Regional Safeguards Coordinator: Comments:	Ms Agnes I. Kiss	06/24/2009
Sector Manager: Comments:	Mr John V. Kellenberg	06/25/2009