



1. Project Data

Project ID P149697	Project Name Transit Corridor Improvement Project	
Country Belarus	Practice Area(Lead) Transport	
L/C/TF Number(s) IBRD-84590	Closing Date (Original) 30-Jun-2020	Total Project Cost (USD) 247,791,210.13
Bank Approval Date 19-Dec-2014	Closing Date (Actual) 15-Jun-2022	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	250,000,000.00	0.00
Revised Commitment	247,791,210.13	0.00
Actual	247,791,210.13	0.00

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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) as stated in the Loan Agreement (Schedule 1) and in the Project Appraisal Document (PAD, page 6) is: "**To improve transport connectivity, border crossing procedures and safety for domestic and international road users on selected sections of the M6 corridor**".

For the purpose of this Implementation Completion Results Report (ICRR) Review, the PDO is unpacked as follows:



PDO 1. To improve transport connectivity for domestic and international road users on selected sections of the M6 corridor.

PDO 2. To improve border crossing procedures for domestic and international road users on selected sections of the M6 corridor.

PDO 3. To improve safety for domestic and international road users on selected sections of the M6 corridor.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Will a split evaluation be undertaken?

No

d. Components

There were three components (PAD, pages 7 - 9).

1. Improvement of sections of M6 'Minsk - Grodno' transit corridor. The estimated cost at appraisal was US\$259.28 million. The actual cost was US\$242.15 million. This component aimed to reconstruct/upgrade 86 kilometers (km) of selected sections of the M6 corridor between the cities of Minsk and Grodno through: widening from two-lanes to four-lanes, improvements to vertical alignments and installing barriers, bus stops and road signs. This component also aimed to support the financial and technical audits of these activities.

With the savings realized during implementation (discussed below), the project scope was expanded to reconstruct/upgrade 154 km of selected sections of the M6 corridor. The added activities included road repair, safety improvements, pavement overlays and noise barriers not included in the original works program and rehabilitation of the road maintenance facility at Volozhin which served the M6 highway.

2. Road safety and network management. The estimated cost at appraisal was US\$6.80 million. The actual cost was US\$4.28 million. There were two sub-components: (i) establishing a Traffic and Road Safety Coordination Center (TRSCC) to promote safer roads through improved traffic and network management, emergency response and dissemination of information to travelers. Activities under this sub-component included consultancy services for design and impact evaluation, providing Information and Communication Technology (ICT) systems and associated infrastructure; and (ii) support for developing roadside services for the safety and convenience of road users and employment opportunities through implementing a market survey on roadside services and a review of the Ministry of Transport and Communications (MoTC) regulatory framework.

The scope of this component was expanded to include a feasibility study for the rehabilitation and safety improvements on sections of the M1 highway and studies with recommendations on traffic safety management during construction and road crossing for animals.

3. Border management enhancement. The estimated cost at appraisal was US\$3.30 million. The actual cost was US\$4.82 million. This sub-component planned to finance activities aimed at improving the overall performance of border management in Belarus and facilitating the movement of cross-border trade at the



Bruzgi border crossing point. Activities in this sub-component included physical layout improvements to reduce average clearance times and implementing a more efficient border policy.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. The estimated cost at appraisal was US\$270.01 million. The actual cost was US\$251.88 million (ICR, Annex 3, page 46).

Project financing. The project was financed by an IBRD loan of US\$250.00 million. The amount disbursed was US\$247.79 million. The undisbursed amount of US\$2.21 million was due to some component two activities that were incomplete at project closing (discussed below).

Borrower contribution. The Borrower contribution was estimated at US\$20.01 million at appraisal. The ICR notes that the Borrower contribution was as planned. However, the actual cost reported by the MA-C (Republican Unitary Enterprise Minskavtodor Center), the agency responsible for day-to-day implementation, includes only US\$4.09 million of expenditure by the Borrower and does not include the cost of project related activities undertaken by state institutions and agencies other than MA-C, such as design and technical and environmental supervision. (ICR, page 9, footnote 10).

Dates. The project was approved on December 19, 2014, became effective on May 7, 2015, and scheduled to close on June 30, 2020. However, the project closed about two years behind schedule on June 15, 2022.

Other changes. There were two level 2 restructurings during the project lifetime.

The Bank supported the following main changes **through the first restructuring on April 7, 2020.**

- Savings of US\$10.00 million were realized during implementation due to factors such as: (i) the actual costs of original civil works contracts were less than estimated: and (ii) the government exempted project activities from value added tax (VAT). The savings were used for expanding the scope of components one and two activities (discussed above).
- New intermediate indicators were added to the results framework to reflect the increase in project scope.
- The closing date was extended by 18 months to December 31, 2021, to allow time for completing the added activities and for completing the establishment of the Traffic and Road Safety Center (TRSCC) that had been delayed.

The following change was made **through the second restructuring on December 3, 2021.**

- The closing date was extended by six months from December 31, 2021, to June 30, 2022, for completing the TRSCC activity that had been subject to further delays.

Due to a deteriorating operating environment arising from Russia's invasion of Ukraine and its regional implications, the Bank suspended disbursements for all projects in Belarus on March 19, 2022. This action effectively closed the project earlier than the revised closing of June 30, 2022.



Split rating. The PDO did not change during implementation. Given that the project's scope was expanded with the available Bank financing for the project, this review is not based on a split rating of objectives.

3. Relevance of Objectives

Rationale

Country and sector context. Belarus is geographically located at the center of Eastern Europe, bordered by European member states Poland, Lithuania, and Latvia to the west and north and Russia and Ukraine to the east and south. The transport sector in Belarus generates significant revenue from transit services. The condition of the road network in Belarus (about 86,660 Km) was generally in good condition at appraisal, due in part to the adequate allocation of resources for road maintenance in the past decade. In terms of the road infrastructure, the main challenge facing Belarus was the need to increase capacity in a safe manner along certain major routes and corridors.

The project areas were in the M6 corridor, one of the busiest transit corridors connecting the cities of Minsk with Grodno and then to the Polish border. The project aimed to address these challenges: One, to increase capacity through widening selected corridor segments from two to four-lane standards; two, Belarus had relatively high fatalities compared with European Countries; and three, the potential of Belarus as a transit hub was undermined due to the poor performance of its logistic sector relative to its regional competitors. Hence, reducing border-post delays was necessary for facilitating cross-border trade.

Government strategy. The PDO was well-aligned with the government's national strategic objectives of connecting all six of the country's oblast centers to high-standard roads and developing international transit corridors as the M6 transit route linking Minsk and Grodno oblasts and connecting to Poland at Bruzgi. The Government had undertaken important steps towards sustainable sector finance and budget allocations for the road sector starting in the year 2014. The Government promulgated a new vehicle tax in January 2014 for financing capital expenditures including upgrading corridors such as the M6. The Government's "Roads of Belarus" program till 2015 aimed to reduce traffic fatalities by 100 every year. The new goal for the strategy from 2015 to 2019 was to fully eliminate traffic fatalities on main roads and road corridors by upgrading them to Category 1 standard, which included high-specification road safety equipment.

Bank strategy. The PDO is well-aligned with the Bank strategy for Belarus. At appraisal, a key area of the Bank's Country Partnership Strategy (CPS) for 2014 - 2017, articulated the need for (i) increasing the country's competitiveness through structural reforms, and (ii) improving the quality and efficiency of public infrastructure. The PDO was consistent with the Bank's Country Partnership Framework (CPF) for 2018 - 2022 which was current when this operation closed. The third objective of the CPF explicitly articulated the need for improving transport connectivity and safety.

Previous Bank experience. The Bank has financed previous transport sector projects in Belarus including the Roads Upgrade and Modernization Project (RUMP) which was completed in 2016. This project aimed to improve selected segments of the M5 corridor.

The current project included investments aimed at upgrading selected sections of the M6 corridor linking Minsk and Grodno and then to the Polish border, improving road safety, and activities aimed at reducing the cross-border trade-related transactions cost. As discussed in the theory of change discussed below, the



links between the project activities and the intended outcomes were logical. The PDO was relevant to the Bank strategy and Government strategy and the project PDO was appropriate to the government's implementation capacity. Therefore, this review rates the relevance of the PDO as **High**.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To improve transport connectivity for domestic and international road users on selected sections of the M6 corridor.

Rationale

Theory of change. The outputs such as rehabilitating and upgrading sections of the M6 corridor from two-lane to four-lane standards and improving road safety features (such as installing central crash and side barriers, road stops, road signs, and improving vertical alignments), would increase the M6 corridor capacity and hence likely to improve transport connectivity for domestic and international road users on selected sections of the corridor. These activities were likely to aid in the long-term development outcome of improving economic competitiveness and sustaining economic growth. The theory of change assumes the following: (i) the economic growth is sustained to utilize the project's investments, and (ii) there is timely acquisition of land for widening roads. The causal links between the project activities, outputs, and outcomes were logical and the outcomes were monitorable.

Outputs (ICR, page 14).

- 154 km of single-carriageway road was rehabilitated and upgraded to a dual-carriageway road, exceeding the original target of 86 km. The road works included improvements to the road's vertical alignment, grade-separated junctions, median and edge safety barriers, bus stops, and road signs and markings.
- An additional 40 km of the M6 corridor was improved, exceeding the target of 25 km. This entailed the rehabilitation of road pavement (about 40 km) with safety improvements (such as barriers, bus stops and footbridges). At project closure, the project had improved over three-quarters of the 292 long M6 corridor.
- With the savings realized during implementation, a road maintenance depot at Volozhin of M6 corridor was constructed and M6 depots at Lida and Starchenyatya were refurbished.

Outcomes (ICR, page 15).



The outputs described above were expected to result in the following outcomes: (i) reduction in travel time between Minsk and Grodno (due to the capacity to safely increase the speed limit on the new road sections from 90 kph to 110 kph); (ii) reduction in vehicle operating cost for medium trucks along the project roads; and (iii) increase in the percentage of project beneficiaries expressing satisfaction with the project roads. Accordingly, the following outcomes were realized:

- According to the surveys conducted by the Ministry of Transport and Communications (MOTC), travel time between Minsk and Grodno decreased from 220 minutes at the baseline to 170 minutes at closure, exceeding the target of 178 minutes.
- Vehicle operating costs for medium trucks decreased from S\$0.55 at the baseline to US\$0.48, exceeding the target of US\$0.50.
- 1,203 short-term construction jobs were created during implementation, marginally exceeding the target of 1,200.
- 312 long-term maintenance/roadside services jobs were created, exceeding the target of 275.
- 84.5% of project beneficiaries expressed satisfaction with the project roads, exceeding the target of 75%.

The efficacy with which this PDO was achieved is rated by this review as **substantial**, given that the expected outcomes were realized.

Rating

Substantial

OBJECTIVE 2

Objective

To improve border crossing procedures for domestic and international road users on selected sections of the M6 corridor.

Rationale

Theory of change. The activities such as infrastructure improvements at the Bruzgi border control post were likely to help in enhancing facilities for an in-channel clearance policy. The outputs of these activities were likely to help in improving cross-border performance with reduced procedures and expedited freight clearance time. The theory of change assumes that there would be adequate inter-agency cooperation for developing border crossing procedures. The causal links between project activities, outputs and outcomes were logical and the outcomes were monitorable.

Outputs (ICR, pages 16 - 17).

- A pilot scheme was introduced at three Border Cross Points (BCPs) including the Bruzgi border, to improve border clearance procedures as targeted. The scheme was based on the results of a 2016 Time Release Study at the BCPs, which examined each stage of the crossing experience, identified constraints and recommended solutions.
- Before the project, the Bruzgi BCP was approaching its capacity for handling trucks, resulting in lengthy queues. Infrastructure was provided for enhancing capacity (such as automated low-speed



weighing units, additional lanes, barriers, a canopy and parking lot for trucks and cars). At closure the Bruzgi BCP's daily capacity increased from 700 trucks at appraisal to 1,700.

- At closure, Bruzgi BCP had a streamlined clearance system with the number of agencies involved reduced to just two, the State Customs Committee and the State Border Committee. The "in channel" clearance procedures policy was implemented by the State Customs Committee as targeted.

Outcomes (ICR, pages 16 - 17).

The outputs described above were expected to result in reduction in average time to complete border clearance procedures for commercial vehicles at Bruzgi BCP. The average time to complete inwards border clearance procedures (for commercial vehicles) decreased from 126 minutes at the baseline to 82.3 minutes at project closure. This exceeded the target of 100 minutes. The baseline for this indicator was established by the Time Release Study, and an impact assessment was conducted by the State Customs Committee to measure border crossing times after the completion of improvements.

Efficacy of this PDO is rated **substantial**.

Rating

Substantial

OBJECTIVE 3

Objective

To improve safety for domestic and international road users on selected sections of the M6 corridor.

Rationale

Theory of change. The outputs, such as widening sections of the M6 corridor with road safety features and establishing a Traffic and Road Safety Coordination Center (TRSCC), were likely to aid in better traffic management, emergency response, and travel information for improving safety for domestic and international road users on selected sections of the M6 corridor. These outcomes were likely to help in the long-term development outcome of social and economic benefits from safer roads. The theory of change assumes that multisectoral utilization of the road data is made available by the TRSCC. The causal links between the activities, outputs, and outcomes were logical, and the intended outcomes were monitorable.

Outputs (ICR, pages 17 - 18).

- 154 km of single-carriageway road section was converted to a dual-carriageway highway and traffic was segregated by a median safety barrier to prevent crossovers, exceeding the target of 86 km. The works included improvements to the road's vertical alignment, grade-separated junctions, median and edge safety barriers, bus stops and road signs and markings. Footbridges and bus laybys were introduced to improve the safety of pedestrians. An additional 40 km of the M6 corridor was improved, exceeding the target of 25 km. This included the rehabilitation of road pavement (40 km) with safety improvements (such as barriers, bus stops and footbridges).
- A survey was conducted to develop market-oriented roadside services as targeted to determine the private sector's interest in investing in roadside services and identify the main obstacles faced by the private sector in developing roadside services. Two studies were completed as targeted. The first



study aimed to improve the safety of road users and to reduce the hazards associated with wild animals crossing roads. The second was a feasibility study to rehabilitate and improve safety on the M1 highway. Although contracts were awarded early in 2021 to major international consulting firms, none of the assignments were fully completed by project closing, due to the sanctions on Belarus arising from the Russia's invasion of Ukraine.

- The activity associated with operationalization of the Traffic and Road Safety Coordination Center (TRSCC) to improve traffic management, emergency response and traveler information was not completed when the project closed. At project closing, although the field equipment for the center was installed and weather and traffic data were being transmitted to an existing traffic management center and displayed to road users, critical hardware and software for operationalizing the center were not installed due to the sanctions and suspension of disbursements.

Outcomes (ICR pages 18 - 19).

The outputs described above were expected to result in the following outcomes: (i) reduction in severe injuries and fatalities on road sections under this project; and (ii) percentage of road safety beneficiaries (including female beneficiaries).

- Severe injuries and fatalities on road sections under this project reduced from 42 at the baseline to 19 when the project closed, exceeding the target of 21. The ICR noted that a substantial portion of the 55% improvement in safety were attributable to project activities as the decrease in injuries and fatalities along M6 were considerably better than the national trend, where road injury accidents reduced by only about 21% between 2014 and 2022.
- 73% of beneficiaries (including 45% females) benefitted from road safety activities, exceeding the target of 65% (40% females).

Efficacy of this PDO is rated **substantial**, given that the outcomes were realized. However, even though the project met the outcome indicator targets, the TRSCC which is also key to improving safety is yet to be completed and operationalized.

Rating
Substantial

OVERALL EFFICACY

Rationale

Overall, efficacy is substantial, given that there is adequate evidence that connectivity was improved along the M6 corridor, crossing the border at Brugzi became quicker, and safety along the corridor improved due to the project activities.



Overall Efficacy Rating

Substantial

5. Efficiency

Economic analysis. An economic (cost-benefit) analysis was conducted for activities in project components one (improvement of sections of M6 Minsk - Grodno transit corridor" and two (road safety and network management). These activities accounted for 98% of the actual cost. The project benefits were assumed to come from savings in vehicle operating costs, reduction in travel time, and reduction in road traffic fatalities. Savings in vehicle operating costs were computed using the standard World Bank Highway Development and Management Model - 4 (HDM - 4). Benefits arising from road safety improvements were assessed using the estimated reduction of fatalities along the road and the monetary value of loss of human life (PAD, para 54).

The Net Present Value (NPV) at a 12% discount rate was US\$156.7 million at appraisal, as compared to the NPV of US\$236.1 million at closure. The ex-post Economic Internal Rate of Return (EIRR) was 25.9% as compared to the ex-ante EIRR of 16.2%. The ICR (para 46) observed that there were two significant differences between the assumptions made at appraisal and what happened during implementation. First, traffic growth on the M6 corridor was lower than predicted at appraisal partly due to the lower than expected Gross Domestic Product (GDP) growth during the implementation period and partly due to the economic impacts of COVID - 19 restrictions. Second, the cost of civil works was lower than anticipated at appraisal.

An economic analysis was conducted at closure for the component three (Border Management Enhancement) activity. The investment at Bruzgi BCP had a NPV of US\$44.4 million at a 12% discount rate and the EIRR was 12.6%.

Savings realized during implementation were used for expanding the project scope.

Administrative and operational efficiency. There were delays in commencing the activity associated with the Traffic and Road Safety Coordination Center (TRSCC), due to the difficulties of reconciling the interests of multiple stakeholders (the Ministry of Transport and Communication, the Ministry of Interior, and the Ministry of Emergencies). While the interests of the stakeholders were resolved with Bank support, the contract became effective in November 2020, and this resulted in the extension of the closing date. However, this activity could not be eventually completed due to the international sanctions.

The ICR (para 53) stated that despite an extended implementation period, total administrative costs were less than the original estimates provided in PAD. At entry, 217 staff weeks of support were anticipated over a five-year two-month implementation period. However, 181 staff weeks of support were provided over a seven-year supervision period.

Disbursement during the project's first two years was less than expected, due to the slower than planned procurement of component one civil works contracts as the government sought to allow the participation of local state-owned contractors. Changes to the state-owned enterprises (SOEs) structure in 2016 allowed their participation and the local contractors proved to be efficient, generally completing the works on time and without cost overruns.



In sum, the efficiency with which the project was implemented is rated as **substantial**.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	16.20	98.00 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	25.90	98.00 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of the PDO to the Government strategy and the current Bank strategy is rated as High. Overall efficacy and efficiency are rated as substantial. This review concluded that there were only minor shortcomings in the project's achievement of its objectives and its efficiency. The project's overall outcome is therefore rated **satisfactory**.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

Government commitment. The ICR notes that it is likely that the development outcomes will have long-term sustainability because Belarus has well-established and funded road maintenance arrangements. The ICR (para 103) observed that M6 is maintained by the Minsk and Grodno road agencies and the project supported the modernization of three of their maintenance depots. Also, funding for the road sector is secured by income from road-tolling on major highways, including the M6.

Macroeconomic and geopolitical risks. The ICR notes that the only risk that development outcomes will not be sustained is due to external factors associated with geopolitical and economic risks. Given the international sanctions, the greatest risk to fully realizing the development outcomes mostly relates to slow or negative traffic growth. Further, there is a risk of further delays in the TRSCC becoming fully operational due to the difficulties in completing this activity under the current economic circumstances and ongoing international sanctions.



8. Assessment of Bank Performance

a. Quality-at-Entry

The Bank prepared this project based on the experience from the previous Bank-financed Roads Upgrade and Modernization Project (RUMP) in Belarus. Lessons learned from RUMP were incorporated into the project design, such as the Ministry of Transport and Communications (MOTC) quick adaptation of innovative road sector practices. Thus, the project design also included international best practices, like establishing the Traffic and Road Safety Coordination Center (TRSCC) and involving the private sector in roadside services. The logistics sector had previously been addressed separately, despite government investment in its development. This project aimed to improve coordination for a more seamless logistics chain (PAD, paras 42 and 43).

The implementation arrangements made at appraisal proved to be appropriate during implementation. The arrangements included: (i) the MOTC was responsible for the coordination and monitoring of implementation progress; and (ii) the Project Implementation Unit (PIU) in the Republican Unitary Enterprise Minskavtodor Center (MA-C) - a unit of the MOTC - was responsible for managing day-to-day implementation (PAD, paras 44 and 45). The government and the implementing agencies had prior experience in implementing Bank-financed projects.

The preparation team identified several risks at appraisal including moderate risks with the capacity of the implementing agency, governance, and social and environmental risks. The mitigation measures identified at appraisal were deemed to be adequate. The arrangements made at appraisal for safeguards and fiduciary compliance were appropriate (discussed in section 10).

There were minor shortcomings in the M&E design (discussed in section 9).

Quality-at-Entry Rating

Satisfactory

b. Quality of supervision

The Bank conducted fifteen implementation support missions at six-monthly intervals. With the onset of the COVID 19 pandemic, the missions were virtual. The ICR (para 100) notes that observations and issues relating to the progress obtained during visits were discussed with the relevant agencies. The ICR also notes that when necessary, supervision was enhanced by contributions from the Country Manager to help resolve issues such as the participation of State-Owned Enterprises (SOEs) in tenders. The support provided by the supervision team aided in M&E and fiduciary and safeguards compliance (discussed in sections 9 and 10). The ICR noted that after the decision to suspend the project, which negatively affected the government to finalize three well-advanced contracts, the Bank and the Ministry of Transport and Communication maintained good professional relations despite the challenges. The Bank team and client



also successfully coordinated the exceptional payment for financial audit services from the loan funds when no funds remained in the designated account.

In sum, overall Bank performance is rated **satisfactory**.

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

The results framework was logical. The key outcome indicators were - reduction in travel time between Minsk and Grodno, reduction in vehicle operating costs (VOC) for medium trucks, reduction in severe injuries and fatalities on road sections under this project, reduction in average time to complete border clearance procedures (for commercial vehicles) at Bruzgi Border Crossing Point (BCP) and the percentage of project beneficiaries expressing satisfaction with the project roads. The indicators were attributable to the project activities and therefore appropriate for monitoring project performance.

However, there were some shortcomings. At appraisal, two of the five indicators lacked targets, with the intention being that targets would be established during implementation based on project-supported surveys and studies. This introduced a risk that PDO outcomes would be inadequately recorded should one or more planned studies were not done. The ICR (para 82) observed that the indicators and data sources lacked specifics.

b. M&E Implementation

The ICR (para 83) noted that the results indicators were regularly updated by the implementing agency. Indicators were added (increased length of road being improved and the range of data collected by the user satisfaction survey) when the project scope was expanded. However, some indicators did not function well, such as tools for monitoring the project's progress towards the PDO. For example, the progress towards completing major activities such as the TRSCC and border control modernization could not be determined as only the intermediate results indicators recorded the completion of these activities.

c. M&E Utilization

The Bank team monitored implementation through regular communication with the project management team. This enabled the Bank team to provide timely project management advice and to inform decision making on allocating project savings,



In sum, overall M&E is rated **substantial**. While there were no significant shortcomings in implementation and utilization of M&E, the project would have benefitted from more detailed baseline and target data for some indicators.

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project was classified as a Category B (partial assessment) project under the World Bank safeguard policies. Two safeguard policies were triggered at appraisal: Environmental Assessment (OP/BP 4.01); and Involuntary Resettlement (OP/BP 4.12). (PAD, page iii).

Environmental Assessment. The PAD (para 72) noted that the road rehabilitations, road widening, and road safety infrastructure were to be undertaken within the existing right of way of the road. The possible adverse environmental impacts included: (i) air pollution and noise from trucks, other construction machinery, and asphalt plants; (ii) soil disturbance; and (iii) tree cutting. A corridor-specific Environmental Impact Assessment was conducted and specific Environmental Management Plans were prepared and publicly disclosed at appraisal to address the impacts (PAD, para 73).

The ICR (para 89) noted that the project complied with the environmental safeguards, with no significant environmental issues or non-compliance cases. The ICR (para 91) reported that the project maintained a functioning grievance redress mechanism. Almost all the 67 grievances related to technical matters, such as the location of sound barriers and provision for pedestrians and cyclists. The agency responsible for day-to-day management resolved the grievances.

The ICR (para 72) noted that in October 2018, a commercial minibus traveling along the M6 collided with the central barrier resulting in the death of two persons and injuries to 13 other travelers. Two further serious accidents, one fatal, followed in 2019. These were reported to the Bank. The Bank team went on to conduct detailed random safety spot checks where project-related roadworks were ongoing and to check that traffic management plans were in place. The ICR also noted that official investigations took longer than expected. Eventually, the investigation Committee found that the project-financed road works had not contributed to the accidents.

Involuntary Resettlement. The PAD (para 69) noted that the project could entail land acquisition from 20 private owners for widening the road from two-lane to four-lane and expected to cause small-scale physical displacement of five households and one or two cases of economic displacement. A Resettlement Policy Framework (RPF) was prepared and publicly disclosed at appraisal to address these issues.

The project complied with the social safeguards. The project required the physical displacement or relocation of 17 people but no economic displacement. The project-affected people were adequately compensated in line with the RAP.



The ICR (para 92) notes that the overall Safeguards rating remained Satisfactory during the project duration.

b. Fiduciary Compliance

Financial management. The Bank conducted an assessment of the financial arrangements of the Minskactodor (MA -C) - the agency responsible for the financial management - of all the project components. The agency had implemented the previous Bank-financed project. The assessment concluded that the agency's financial arrangements were appropriate. The financial risk was rated as moderate at appraisal (PAD, para 63). The ICR (para 93) observed that annual reports on the project's financial statements were submitted by external auditors. Almost all the project financial documents were non-qualified. However, the 2018 report had minor qualifications. This issue did not recur, and the financial management was rated as satisfactory for the rest of the project duration.

Procurement management. The Bank conducted a procurement assessment of Minskactodor (MA -C). The agency had a long experience with Bank-financed projects. The assessment concluded that the procurement risk was moderate (PAD, para 66). The ICR (para 96) notes that there were no major contract management issues or project implementation irregularities during the project lifetime. The procurement rating at project completion was Moderately Satisfactory due to the delays in contracting the technical assistance consultancies added during project restructuring.

c. Unintended impacts (Positive or Negative)

Unlike the earlier Bank-financed Road Upgrade and Modernization Project in Belarus, all the major civil works contracts were awarded to Belarusian contracts following government led reforms to the ownership structure of State-Owned Enterprises (SOE) early in the project. This provided the local contractors with the opportunity to improve their capacity to execute projects (ICR, para 71).

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	



12. Lessons

The ICR draws the following main lessons from the experience of implementing this project, with some adaptation of language.

1. An assessment of the technical capacity of domestic contractors could help in facilitating procurement. In this project, all the local contractors awarded the major civil engineering works performed well despite not having international joint venture partners. The successful engagement with domestic contractors, besides helping to reduce costs, also strengthened the sector by providing the experience needed for the firms to compete competitively abroad.

2. An agreement with stakeholders on project activities, objectives and technical scope would help prevent implementation delays. In this project, the delays associated with the establishment of the Traffic and Road Safety Coordination Center proved to be challenging because of the differing priorities of the multiple government stakeholders.

3. Not having targets or a methodology before entry could hinder monitoring project activities. The project design did not have targets for some indicators or at least an explicit methodology for monitoring some indicators in the results framework, with the intention being that targets would be set during implementation based on later project-supported surveys. This approach introduced a risk that the results outcomes would be inadequately monitored should one or more planned surveys be poorly implemented or not done.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is well-written. The theory of change provided in the text clearly articulates the causal links between project activities, outputs and the intended outcomes and explicitly states the assumptions under which the intended outcomes are likely to be realized. The evidence and analysis provided in the ICR is adequate for evaluating project performance. The ICR draws good lessons from the experience of implementing this project. The photographs provided in the text were helpful in enabling the reader to visualize the changes under the project.

a. Quality of ICR Rating

Substantial

