

**Implementation Status & Results
Azerbaijan
Third Highway Project (P118023)**

| | | | | |
|---|---------------------------------|--|------------------|---------------------------|
| Operation Name: Third Highway Project (P118023) | Project Stage: Implementation | Seq.No: 5 | Status: ARCHIVED | Archive Date: 31-Dec-2011 |
| Country: Azerbaijan | Approval FY: 2010 | | | |
| Product Line: IBRD/IDA | Region: EUROPE AND CENTRAL ASIA | Lending Instrument: Specific Investment Loan | | |
| Implementing Agency(ies): AzerRoadService (ARS) | | | | |

Key Dates

| | | | | | | | |
|---------------------|-------------|-----------------------|-------------|------------------------------|-------------|------------------------|-------------|
| Board Approval Date | 25-May-2010 | Original Closing Date | 31-Mar-2015 | Planned Mid Term Review Date | 01-Oct-2012 | Last Archived ISR Date | 31-Dec-2011 |
| Effectiveness Date | 08-Nov-2010 | Revised Closing Date | 31-Mar-2015 | Actual Mid Term Review Date | | | |

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is "to contribute to a more efficient and safer Baku-Shamakhi road and higher quality road services as part of the upgrading to motorway standards, and to improve the management of the nascent motorway network."

Has the Project Development Objective been changed since Board Approval of the Project?

Yes No

Component(s)

| Component Name | Component Cost |
|--|----------------|
| Component 1: Upgrading a 100km section of existing two lane M4 Baku-Shamakhi road into a four-lane motorway. | 296.00 |
| Component 2: Institutional development (management and financing Azerbaijan Motorways; institutional development of the ARS) | 5.00 |
| Component 3: Project Management including technical assistance and financing additional costs for project implementation. | 1.00 |

Overall Ratings

| | Previous Rating | Current Rating |
|--------------------------------------|-------------------------|---------------------------|
| Progress towards achievement of PDO | Satisfactory | Moderately Satisfactory |
| Overall Implementation Progress (IP) | Moderately Satisfactory | Moderately Unsatisfactory |
| Overall Risk Rating | | |

Implementation Status Overview

Civil works have started on about 25 percent of the sections of roads to be upgraded (the first section km 15-45 of M4 Baku-Shamakhi road). The detailed design on the remaining sections is not completed yet A complex geotechnical pattern and active land slide on some section of the road require that the design of the last section of the road (92-106km) be

revised based on additional geotechnical studies. With regard to technical assistance component, the implementation of the technical assistance program for operations and maintenance of motorways is about to start. Also, the consultant for the traffic safety component of the Project has submitted to ARS draft of their final report and recommendations.

Public Disclosure Copy

Locations

| Country | First Administrative Division | Location | Planned | Actual |
|------------|-------------------------------|-----------------|---------|--------|
| Azerbaijan | Baku | Alyaty | | |
| Azerbaijan | Samaxi Rayonu | Samaxi Rayonu | | |
| Azerbaijan | Samaxi Rayonu | Samaxi | | |
| Azerbaijan | Baku | Baku | | |
| Azerbaijan | Baku | Baku | | |
| Azerbaijan | Abseron Rayonu | Abseron Rayonu | | |
| Azerbaijan | Qobustan Rayonu | Qobustan Rayonu | | |

Results

Project Development Objective Indicators

| Indicator Name | Core | Unit of Measure | | Baseline | Current | End Target |
|--|-------------------------------------|--|----------|-------------|-----------------------------------|-------------|
| Roads in good and fair condition as a share of total classified roads | <input checked="" type="checkbox"/> | Percentage | Value | 55.00 | 60.00 | 70.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Dec-2014 |
| | | | Comments | | Civil works have started recently | |
| Size of the total classified network | <input checked="" type="checkbox"/> | Kilometers Sub Type Supplemental | Value | 55.00 | 60.00 | 70.00 |
| | | | | | | |
| Safety: Reduction of personal injury per 100-million vehicle-km along the Baku-Shamkhi road. | <input type="checkbox"/> | Percentage | Value | 100.00 | | 70.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Dec-2014 |
| | | | Comments | | Civil works have started recently | |
| Efficiency: Reduction in road user costs from Baku to Shamakhi | <input type="checkbox"/> | Percentage | Value | 100.00 | | 80.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Dec-2014 |
| | | | Comments | | Civil works have started recently | |

Public Disclosure Copy

Intermediate Results Indicators

Public Disclosure Copy

| Indicator Name | Core | Unit of Measure | | Baseline | Current | End Target |
|---|-------------------------------------|-------------------------------------|----------|-------------|--|-------------|
| Roads constructed, non-rural | <input checked="" type="checkbox"/> | Kilometers | Value | 0.00 | | 100.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Mar-2015 |
| | | | Comments | | Civil works have started recently | |
| Number of km upgraded for Baku-Shamakhi road | <input type="checkbox"/> | Kilometers Sub Type Breakdown | Value | 0.00 | | 100.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Mar-2015 |
| | | | Comments | | Civil works have started recently | |
| Assessment of operations and maintenance pilot on sections of the existing motorways | <input type="checkbox"/> | Text | Value | not done | | |
| | | | Date | 25-May-2010 | 01-Dec-2011 | 31-Dec-2013 |
| | | | Comments | | Implementation has not started yet. The consultant who will work with ARS on this topic is being selected. | |
| Development of a pilot Motorway Management Unit. | <input type="checkbox"/> | Text | Value | not done | | done |
| | | | Date | 25-May-2010 | 01-Dec-2011 | 31-Dec-2014 |
| | | | Comments | | Consultant is being selected. | |
| Presenting assessment and motorway financing and management recommendations to MoF, MoT, and ARS. | <input type="checkbox"/> | Text | Value | not done | | done |
| | | | Date | 25-May-2010 | 01-Dec-2011 | 31-Dec-2014 |
| | | | Comments | | Procurement of respective Consultancy services has not started | |
| Design of a Motorway Guidelines. | <input type="checkbox"/> | Text | Value | not done | | done |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Dec-2013 |
| | | | Comments | | Consultants are being selected. | |
| Safety audits on construction completion. | <input type="checkbox"/> | Text | Value | not done | | done |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Mar-2015 |
| | | | Comments | | Civil works are ongoing | |
| Safety audits on detailed design. | <input type="checkbox"/> | Text | Value | not done | | done |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Dec-2011 |
| | | | Comments | | Audits have been completed for the first section of M4 Baku - Shamakhi | |

Public Disclosure Copy

| | | | | | | |
|--|--------------------------|------------|----------|-------------|------------------------------|-------------|
| Percentage of safety audits conducted on road accidents recorded during construction stage of Baku-Shamakhi. | <input type="checkbox"/> | Percentage | Value | 0.00 | 0.00 | 80.00 |
| | | | Date | 25-May-2010 | 13-Apr-2012 | 31-Mar-2015 |
| | | | Comments | | Civil works started recently | |

Data on Financial Performance (as of 07-May-2012)

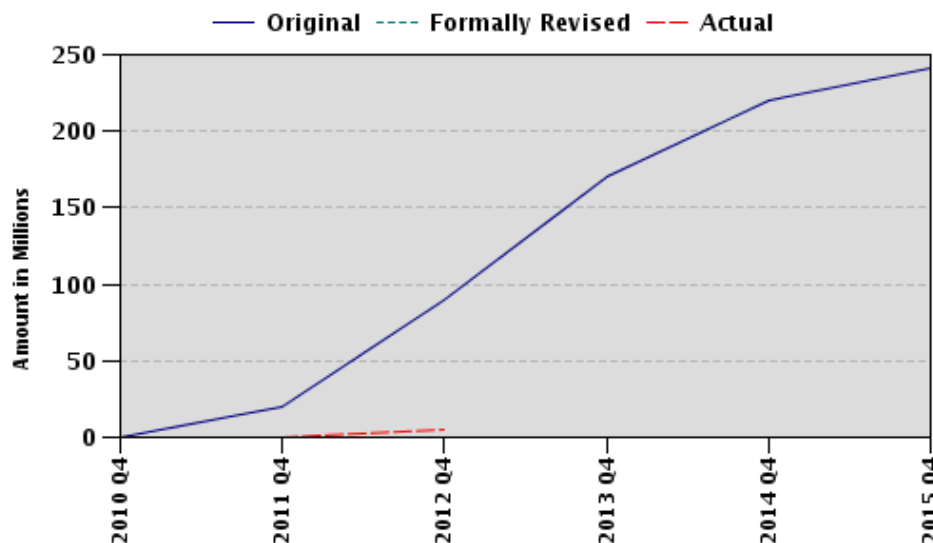
Financial Agreement(s) Key Dates

| Project | Ln/Cr/Tf | Status | Approval Date | Signing Date | Effectiveness Date | Original Closing Date | Revised Closing Date |
|---------|------------|-----------|---------------|--------------|--------------------|-----------------------|----------------------|
| P118023 | IBRD-78890 | Effective | 25-May-2010 | 11-Aug-2010 | 08-Nov-2010 | 31-Mar-2015 | 31-Mar-2015 |
| P118023 | IDA-47230 | Effective | 25-May-2010 | 11-Aug-2010 | 08-Nov-2010 | 31-Mar-2015 | 31-Mar-2015 |

Disbursements (in Millions)

| Project | Ln/Cr/Tf | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P118023 | IBRD-78890 | Effective | USD | 171.60 | 171.60 | 0.00 | 5.53 | 166.07 | 3.00 |
| P118023 | IDA-47230 | Effective | USD | 70.00 | 70.00 | 0.00 | 0.00 | 71.92 | 0.00 |

Disbursement Graph



Key Decisions Regarding Implementation

ARS and the consultant in charge of the detailed design for upgrading Baku Shamakhi road need to focus on preparation of design and resettlement action plans based on the newly agreed road alignment. Procurement of remaining civil works should be launched as soon as possible to recover delays in project implementation and improve level of

disbursements. ARS also needs to address the issue of persisting delays with commencement of the consultancy on operations and maintenance of motorways and demonstrate real progress in implementation of this critically important activity for the sector.

Restructuring History

There has been no restructuring to date.

Related Projects

There are no related projects.