

**INTEGRATED SAFEGUARDS DATASHEET  
APPRAISAL STAGE**

**I. Basic Information**

Date prepared/updated: 10/23/2007

Report No.: AC2943

**1. Basic Project Data**

Country: Georgia	Project ID: P094044	
Project Name: Second East-West Highway Improvement		
Task Team Leader: Olivier P. Le Ber		
Estimated Appraisal Date: October 5, 2007	Estimated Board Date: February 28, 2008	
Managing Unit: ECSSD	Lending Instrument: Specific Investment Loan	
Sector: Roads and highways (100%)		
Theme: Infrastructure services for private sector development (P);Regional integration (S);Other public sector governance (S)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	35.00	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
<u>BORROWER/RECIPIENT</u>		42.00
		42.00
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 Second East-West Highway Improvement project (EWHIP) aims to achieve the following objectives:

- (i) To contribute to the gradual reduction of road transport costs and improve ease of transit and safety along the central part of Georgia's East-West corridor, through upgrading a segment of the East-West Highway from Tbilisi to Rikoti; and
- (ii) To strengthen the capacity of the government agencies (and particularly RDMED and the patrol police) to develop and implement a traffic safety program.

**3. Project Description**

Component 1: Upgrade of the Igoeti to Sveneti section of the E60 Highway from two to four lanes. This component comprises: (i) civil works for the construction of a new two lane carriage way along a 24 km section of the E60 highway from Igoeti to Sveneti, the construction of 4 bridges and the rehabilitation of the existing two lanes; (ii) consultant services for the supervision of the works; and (iii) the design of another section of the E60 Highway to be specified by the Government at a later date to help prepare a future project.

Component 2: Road Safety and Transport Policy support. This component comprises specialized consultancy studies, technical assistance, training, and equipment as needed to strengthen the capacity of the Government, RDMED, the Patrol Police and others to develop and implement a traffic safety program along the E60 corridor. It also includes (i) consultant services for the revision of the civil aviation and maritime codes and (ii) new equipment for the modernization of communications and traffic management in the country's airports.

Component 3: Project implementation. The component will fund consultant services for TRRC , project audits and will finance incremental operational costs to support implementation of the project.

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

The project involves the construction of the Igoeti bypass and the expansion of the existing 2 lane road to a 4 lane road from the villages of Igoeti to Sveneti between KP55 and KP79. Most land that should be used to accomodate the expanded road is within the existing ROW and the road can be expanded without land acquisition, except for the construction of interchanges and for connection of the Igoeti by-pass to the existing alignment by the Lekhura River.

The project is rated as category A. The Igoeti bypass is identified as sensitive due to the presence of archaeological sites, potential erosion and land stability issues and natural (terrestrial and aquatic) habitats. A number of kiosks and other commercial buildings will be demolished.

#### **5. Environmental and Social Safeguards Specialists**

Ms Darejan Kapanadze (ECSSD)

Mr Satoshi Ishihara (ECSSD)

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

## **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: Environmental Assessment (OP/BP 4.01): An Environmental Review of baseline information, key environmental sensitivities and an analysis of alternatives was conducted under the First EWHIP covering the whole section from Agaiani to Sveneti to assist in planning and scheduling and also to identify mitigation measures. The Environmental Review has been disclosed through the InfoShop (September 14, 2006) and in country (September 15, 2006) and consultation meetings were held in Agaiani, Okami and Berbuki on October 19, 2006 to discuss the Environmental Review. Questions were asked regarding the scope of the project, its design and construction, impacts on people in terms of traffic safety, damage to properties, land acquisition and compensation as well as employment opportunities. No significant environmental issues were raised. The final version was disclosed on October 23, 2006. A section specific Environmental Assessment (EA) and an Environmental Management Plan (EMP) to mitigate and manage direct or indirect impacts of construction have been completed for Phase 2, have been disclosed mid September 2007 and the revised drafts incorporating the public comments have been received for final disclosure.

Natural Habitats (OP/BP 4.04): The Environment Review concluded that there are no protected areas crossed by the bypass or the highway, though surroundings of Igoeti bypass represent a habitat for several endemic floral species that entered in the Red List and Red Book of Georgia, including *Paeonia tenuifolia*, *P. carthalinica*, *P. majko*, and *P. caucasica* as well as *Hippophae rhamnoides*, *Amygdalus georgica*, and *Nitraria schoberi*. Fragments of riparian forests are a home for mustelids and other small mammal species, including endemics of the Caucasus and 4 endangered species in Georgia as well as for bats entered into the Red List and Red Book of Georgia. Rivers Lekhura and Tortla are the most important habitats for conservation of reophilous and non-reophilous fish, as they represent breeding grounds for this ichthyofauna. While sensitivity of these terrestrial and aquatic habitats to project impacts is estimated to be medium, they could be vulnerable to a variety of construction activities and to operation of the rehabilitated highway unless proper mitigation measures are taken. Specific measures for managing and mitigating the potential impacts during construction and operation of Igoeti By-pass and Igoeti-Sveneti section of the highway will be identified and recommended through the EMP in line with OP/BP 4.04 Natural Habitats.

Forests (OP/BP 4.36): In the vicinity of the village Igoeti and along the Igoeti-Sveneti section of the road there are fragments of riparian forests that are protected under the Forest Code of Georgia, including: aspen woods (*Populus hybrida*), willow woods (*Salix australior*), oak woods (*Quercus longipes*), and elm woods (*Ulmus suberosa*). Specific measures for managing and mitigating the potential impacts during construction of sections II and III of the highway will be identified and recommended through the EMP in line with OP/BP 4.36 Forests.

Pest management (OP 4.09): Plants in the strip of greenery that align the road are expected to be impacted during construction and the number of parasites and diseases may increase due to a decrease in plant resistance during construction. Highway construction could also lead to a spread of pests, parasites, diseases, weeds or harmful microorganisms to adjacent orchards, crops, wind breaks or fragments of woods without proper management. Mitigation and compensation measures will therefore be developed and outlined in the section specific EMP.

Physical Cultural Resources (OP/BP 4.11): The Igoeti By-pass and Igoeti-Sveneti section of the highway both run in immediate proximity to important archaeological sites and monuments, 9 of which have been identified during the desk-studies and site visits around village of Igoeti and 10 more along the Igoeti-Sveneti section of the road. The EMP currently under preparation will outline measures to avoid and/or minimize project impacts on identified cultural properties and will include procedures for managing chance finds during construction works.

Involuntary Resettlement (OP/BP 4.12): The Project is expected to require the acquisition of about 9 ha of land, of which 7 ha belong to private individuals. A handful of commercial structures and kiosks will need to be demolished. No physical relocation of household is expected. The expansion of road will increase the risk of traffic accident for school children who commute to a school from settlements across the project road.

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

While the riparian forests and fish breeding grounds are not in the zone of direct impact they could be vulnerable to indirect impacts connected to construction activities such as quarrying of gravel and inert construction materials or to the operation of the rehabilitated highway.

The project may require temporary occupation of private land to store construction material. Access to grazing land may also be restricted during construction. The Road Department (RDMED) will require contractors to negotiate the temporary use of land with land owners, and to install temporary access for the mobility of both people and animals. Restoration measures against all temporary damage will be developed as part of EMP and implemented by contractors.

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

"No project" scenario as well as four alternative routes for the realignment of this section of the highway were considered. Economic interests aside, "no project" alternative can not be strongly supported with environmental arguments either. Civil works to expand width of the carriageway had been launched and then abandoned without proper conservation back in Soviet times. The landscape was transformed and continues deteriorating since then.

Four alternative alignments for a segment of the highway were analyzed to identify economically and environmentally most preferred option. Much consideration was given to social implications as well, like potential impact of traffic noise on the communities residing along the highway and implications of highway routing for their agricultural practices.

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 Ministry of Economic Development is responsible for the successful implementation of mitigation measures against environmental impact. See section 1 above for detailed mitigation measures that will be taken. The Road Department (RDMED) has recently established a new unit responsible for land acquisition and environmental issues.

The Resettlement Policy Framework (RPF) has been developed during the preparation of the first East-West Highway Improvement Project (disclosed on October 23, 2006), which covers the section of the project road. The Resettlement Action Plan (RAP) is currently under development as per the RPF and OP 4.12. No major gaps are found to exist between Bank safeguard policies and Georgia legislation, except that under the Georgian legislation, those land owners without titles or business owners without licenses are not eligible for compensation of lost assets or income. RDMED will first help land owners register at the Public Registry and meet Georgian legislations to acquire full ownership of properties, so RDMED is able to acquire land with full compliance with Georgian legislation. Compensation for asset loss will be provided at replacement cost.

Kiosks that need to be demolished will be provided alternative space in the rest area to be set up near Igoeti bypass, without regard to legal status of business operation. Access roads will be installed at three other locations to provide access to existing restaurants and gas stand near the project road.

A local school, which is located at the opposite side of settlements across the project road, will be either relocated closer to the settlement or an overpass/ underpass will be installed for the safety of school children. Overpasses and underpasses are planned to be constructed at several distance over the project road, which is expected to improve road safety.

RDMED has gained significant experience in resettlement planning through the implementation of FEWHIP. Training of the RDMED staff to integrate environmental and social concerns into road management, especially in the area of the implementation of resettlement plan, is provided under the First EWHIP. Additional TA will be provided to the RDMED so land acquisition will be carried out as per Bank social safeguard policies.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. Key stakeholders include land holders and residents in the Igoeti-Sveneti area affected directly or indirectly by the project activities. Consultation with key stakeholders on

environmental matters was held early October 2006 during the course of preparation of the EMP.

The RPF has been disclosed in country and in Infoshop on October 23, 2006. The RAP, once developed, will be disclosed and consulted with the local population who will be affected by the project. Feedback, if any, will be incorporated into the final RAP. A Notice board will be put up to inform local population of the project and a communication channel will be set up to allow those with competing claims over land to be used to build road to put forward their claims.

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***B. Disclosure Requirements Date***

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**Environmental Assessment/Audit/Management Plan/Other:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	09/01/2006
Date of "in-country" disclosure	09/15/2006
Date of submission to InfoShop	09/14/2006
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	03/20/2007

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**Resettlement Action Plan/Framework/Policy Process:**

Was the document disclosed <b>prior to appraisal?</b>	Yes
Date of receipt by the Bank	09/26/2006
Date of "in-country" disclosure	09/26/2006
Date of submission to InfoShop	09/26/2006

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**Pest Management Plan:**

Was the document disclosed <b>prior to appraisal?</b>	N/A
Date of receipt by the Bank	N/A
Date of "in-country" disclosure	N/A
Date of submission to InfoShop	N/A

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**\* 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:**

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

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**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	Yes

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credit/loan?

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**OP/BP 4.04 - Natural Habitats**

Would the project result in any significant conversion or degradation of critical natural habitats? No

If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank? Yes

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**OP 4.09 - Pest Management**

Does the EA adequately address the pest management issues? Yes

Is a separate PMP required? No

If yes, has the PMP been reviewed and approved by a safeguards specialist or SM? Are PMP requirements included in project design? If yes, does the project team include a Pest Management Specialist? N/A

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**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

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**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

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**OP/BP 4.36 - Forests**

Has the sector-wide analysis of policy and institutional issues and constraints been carried out? Yes

Does the project design include satisfactory measures to overcome these constraints? No

Does the project finance commercial harvesting, and if so, does it include provisions for certification system? No

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**The World Bank Policy on Disclosure of Information**

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

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

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**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

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#### ***D. Approvals***

<b><i>Signed and submitted by:</i></b>	<b><i>Name</i></b>	<b><i>Date</i></b>
Task Team Leader:	Mr Olivier P. Le Ber	08/27/2007
Environmental Specialist:	Ms Darejan Kapanadze	08/27/2007
Social Development Specialist Additional Environmental and/or Social Development Specialist(s):	Mr Satoshi Ishihara	08/21/2007
<b><i>Approved by:</i></b>		
Regional Safeguards Coordinator: Comments:	Ms Agnes I. Kiss	10/23/2007
Sector Manager: Comments:	Mr Motoo Konishi	10/23/2007