



Georgia: Batumi-Sarpi Bypass Project

Project Name	Batumi-Sarpi Bypass Project	
Project Number	50388-001	
Country	Georgia	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Batumi-Sarpi Bypass Project	
	Ordinary capital resources	US\$ 150.00 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Knowledge solutions Partnerships	
Sector / Subsector	Transport - Road transport (non-urban)	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>Recognizing these systemic challenges, the government has requested ADB's assistance to construct an approximately 12 kilometers (km) long bypass road to enable year-round traffic movements and facilitate trade on the strategically important East- West Corridor. The project road will provide opportunities for tourism development in the Adjara Black Sea region by reducing travel time along the Black Sea coast and reducing congestion and/or road safety problems at the busiest border crossing point (Sarpi). The project road will be constructed to two-lane asphalt surfaced standard, with at least one long tunnel and several bridges (output 1). Innovation in financing solutions has been introduced through provision of a study (output 2) of options for public private partnership (PPP) or similar for a highway rest area and logistics facility.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Georgia enjoys a strategically advantageous location at the crossroads between Europe and Asia. Recent free trade agreements with its main trading partners (total trade 2018 Turkey \$1.7 billion, Russian Federation \$1.37 billion, Azerbaijan \$1.09 billion, and Peoples Republic of China \$1.03 billion) have furthered its ambitions to become a regional transit hub. Exports by road and by sea grew on average 39% and 29% per annum by value between 2016 and 2018. Georgia's geographical location positions the country at the center of north-south transit routes linking the Russian border (Larsi) to the Armenian border (Sadakhlo), and east -west routes linking the Azerbaijan border (Red Bridge) to the Turkish border (Sarpi).</p> <p>Rehabilitation and modernization of road infrastructure has consistently been a top government priority over the last 12 years. The national development strategy aims to transform Georgia into a regional transport and logistics hub. Government investments have focused on the road sector, with rail and port sectors financed largely by the private sector. The Ministry of Regional Development and Infrastructure (MRDI) Action Plan for 2018 -2021 has budgeted GEL7.3 billion for internationally and nationally important roads. The government has targeted its financing and priority interventions on the East -West Highway, the North -South Corridor, and critical sections of the secondary road network. The road network extends to approximately 22,000 km, including about 1,600 km of international roads and 5,300 km of secondary roads managed by the Roads Department under the MRDI, as well as 15,000 km of local roads managed by district administrations. While most of the international roads (90%) are in good or fair condition, about 30% of the secondary roads and 60% of the local roads are in poor condition. The implementation of the Roads Department's program on highways improvement will lead to a dramatic increase of its asset base of large bridges and tunnels, which will in turn require new skills and expertise that do not currently exist in-country.</p> <p>The Roads Department has prepared, under ADB financing, a feasibility study to select an alignment to upgrade the current (mostly coastal) 11 kilometer (km) road from the terminus of Batumi bypass to the Turkish border at Sarpi, being the southernmost portion of the E60 motorway within Georgian territory and the eastern most part of CAREC corridor 2. Four possible alignments were studied including the option of upgrading the current road to international standard. In addition to geology, environment, land acquisition and technical specifications for tunnels, bridges, drainage and pavement, the final alignment had to factor in town planning of the border crossing area at Sarpi, plans of the Adjara autonomous government to further develop the coastal area, and the sensitive environmental nature of the Chorokhi river. The study concluded that due to the congested nature of the border arrival area in the middle of the Sarpi town square, the best option was an immediate tunnel through the mountains to the east, diverting traffic along an approximately 12 km alignment consisting of at least one major tunnel (around 4.5 km), several bridges and overpasses.</p>	
Impact	Regional connectivity in Georgia improved	
Outcome	Efficiency of road transport along the East West Highway (EWH) in Georgia improved	
Outputs	Batumi Sarpi bypass road constructed Highway rest area and/or logistics facility ready for private sector investment and operation	
Geographical Location	Batumi	
Safeguard Categories		
Environment		A
Involuntary Resettlement		A
Indigenous Peoples		C
Summary of Environmental and Social Aspects		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services ADB will engage the consultants, through the technical assistance, following the ADB Procurement Policy (2017, as amended from time to time) and its associated project staff instructions.

Procurement All contracts will be procured in accordance with ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions. Social and environmental assessment, documentation, consultation, and disclosure requirements will be undertaken in compliance with ADB's Safeguard Policy Statement 2009.

Responsible ADB Officer Shanny Campbell

Responsible ADB Department Central and West Asia Department

Responsible ADB Division Transport and Communications Division, CWRD

Executing Agencies Ministry of Regional Development and Infrastructure of Georgia
12 Khazbegi Str. 0160 Tbilisi
Georgia
Road Department - Ministry of Regional Development and Infrastructure
12 Khazbegi Str. 0160 Tbilisi
Georgia

Timetable

Concept Clearance 27 Sep 2019

Fact Finding 17 Feb 2020 to 28 Feb 2020

MRM 12 May 2020

Approval -

Last Review Mission -

Last PDS Update 07 Oct 2019

Project Page <https://www.adb.org/projects/50388-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=50388-001>

Date Generated 09 October 2019

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.