



## Pakistan: Sustainable National Highway Rehabilitation and Improvement Project

Project Name	Sustainable National Highway Rehabilitation and Improvement Project	
Project Number	50389-001	
Country	Pakistan	
Project Status	Proposed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	<b>Loan: Sustainable National Highway Rehabilitation and Improvement Project</b>	
	Ordinary capital resources	US\$ 311.70 million
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 33.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development	
Sector / Subsector	<b>Transport</b> - Road transport (non-urban)	
Gender Equity and Mainstreaming	Some gender elements	
Description	The proposed project will finance the rehabilitation of multiple sections of the national highway 5 (N-5) totaling about 822 kilometers (km) of carriageway. It will also support the institutional development of the National Highway Authority, to sustain national highway network conservation and improve road safety.	
Project Rationale and Linkage to Country/Regional Strategy	<p>Pakistan's transport sector contributes about 10% to the GDP and accounts for over 6% of employment in the country. Road transport dominates Pakistan's transport system, accounting for almost 95% of freight traffic in ton-kilometers and 90% of passenger traffic in passenger-kilometers. Upgrading Pakistan's transportation system is critical to both export competitiveness and economic growth. The national highway network is a crucial driver of the economy and forms the backbone of the transportation system, serving as main interprovincial linkages and connections to neighboring countries. Although its total length is only 12,739 km and 4.8% of the total length of Pakistan's road network of 264,000 km, the national highway network caters to about 80% of commercial traffic. About 45% of national highways remain in poor service condition because of rapid traffic growth, significant increases in vehicle axle loads, and chronic maintenance neglect. Previous governments have also favored capital construction over maintenance. Despite enormous highway investments since 2013, NHA continues to face challenges in conserving a national highway network that suffers large maintenance backlogs, high transport costs, and poor safety standards.</p> <p>The National Highway 5 (N-5), an 1819-km road artery and part of the broader north-south transport corridor, is the lifeline for Pakistan economy linking the port of Karachi to Peshawar and the Afghan border, via almost all of the country's main population and economic centers of Hyderabad, Multan, Lahore, Gujranwala, Rawalpindi, Islamabad and onward to Afghanistan at Torkham. N-5 alone carries about 60% of the country's commercial traffic and over 55% of the country's inter-city traffic, interlinking with CAREC and CPEC. Its safety and efficiency improvement will greatly boost the synergy of the CAREC Corridors and CPEC, enabling Pakistan to play a greater role as a regional transport and trade hub.</p>	
Impact	Modernization of transport infrastructure and greater regional connectivity to support a vibrant and growing economy.	
Outcome	Improved road safety and efficiency along the North-South Transport Corridor	
Outputs	Key sections of N-5 rehabilitated. Road safety capacity of NHA strengthened. Network conservation capacity of NHA strengthened	
Geographical Location	Nation-wide	
<b>Safeguard Categories</b>		
Environment		B
Involuntary Resettlement		B

### Summary of Environmental and Social Aspects

Environmental Aspects	The project will likely have temporary and site-specific environmental impacts such as traffic disruptions and occupational health and safety during construction phase. The project is contained within existing right-of-way and does not pass through any environmentally sensitive areas. Adequate mitigation measures are included in, and will be implemented through, an environmental management plan.
Involuntary Resettlement	All works will be conducted within the existing right of way. Due diligence of field visits confirmed that while there are some encroachments to the right of way in a few sections of N-5, impacts on these structures can be avoided with minor adjustments to the rehabilitation works. Such flexibility will be indicated in the civil works contracts and will be closely monitored during implementation.
Indigenous Peoples	The project road is located in the settled areas of Khyber Pakhtunkhwa, Punjab and Sindh Provinces, where no indigenous peoples as defined under ADB's Safeguard Policy Statement reside.

### Stakeholder Communication, Participation, and Consultation

During Project Design	Focus group discussions, community mobilization, in-depth interviews and consultations were conducted during project design and preparation.
During Project Implementation	Consultations with all stakeholders will be planned and organized during project implementation.

### Business Opportunities

Consulting Services	Consulting services to be funded by ADB loan will be guided by the Procurement Regulations for ADB Borrowers (2017, as amended from time to time) and ADB's prior review.
Procurement	Procurement of civil works and consulting services financed under the ADB loan will be done in accordance with ADB's Procurement Policy (2017, as amended from time to time) and ADB's Procurement Regulations for ADB Borrowers (2017, as amended from time to time).

Responsible ADB Officer	Wu, Zheng
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Transport and Communications Division, CWRD
Executing Agencies	<i>National Highway Authority Room No. 110, 1st Floor, NC Building, Sector G-9/1 Islamabad, Pakistan</i>

### Timetable

Concept Clearance	19 Sep 2017
Fact Finding	27 Jun 2018 to 11 Jul 2018
MRM	23 Nov 2018
Approval	-
Last Review Mission	-
Last PDS Update	27 Sep 2018

Project Page	<a href="https://www.adb.org/projects/50389-001/main">https://www.adb.org/projects/50389-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=50389-001">http://www.adb.org/forms/request-information-form?subject=50389-001</a>
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