

INTEGRATED SAFEGUARDS DATA SHEET

CONCEPT STAGE

Report No.: ISDSC12285

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Kazakhstan	Project ID:	P153501
Project Name:	Center South Road Corridor Project (P153501)		
Task Team Leader(s):	Fiona J Collin		
Estimated Appraisal Date:	27-Aug-2015	Estimated Board Date:	11-Feb-2016
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Rural and Inter-Urban Roads and Highways (80%), General transportation sector (10%), Other domestic and international trade (10%)		
Theme(s):	Infrastructure services for private sector development (25%), Rural services and infrastructure (25%), Export development and competitiveness (25%), Regional integration (25%)		
Financing (In USD Million)			
Total Project Cost:	2563.00	Total Bank Financing:	2183.00
Financing Gap:	0.00		
Financing Source			Amount
Borrower			380.00
International Bank for Reconstruction and Development			2183.00
Total			2563.00
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

B. Project Objectives

To improve the transport and freight connectivity and productivity between the growth poles of Almaty and Astana through the second-tier city of Karaganda, and improve road operations and road asset management.

C. Project Description

The project road consists of a 688 km section of road from Karaganda to Burylbaital, an essential link in the corridor between Almaty and Astana. The corridor will provide an all-weather divided highway connecting Kazakhstan to Western China and Russia. It will be constructed along the existing road alignment, and will accommodate a duplicated carriageway, i.e., the new road will improve the existing 2-lane single carriageway road to 4-lane dual carriageway road. It will be designed for a traffic speed of 120 kilometres / hour (km/hr) and axle loads up to 13 tonnes. Bridges, overpasses, and pedestrian and animal passes will be included where required and informed by social impact assessment.

The section proposed for financing comprises a main link along the Astana to Almaty corridor. The 213km section from Astana to Karagandy is complete. The section from Burylbaital to Togyz, 143km will be financed by EBRD, and the section from Togyz to Kurty is being done through restructurings of both the SWRP and the EWRP, made possible through savings on the existing projects. The treatment for the remaining section from Kurty to Almaty is under review by GoK and Almaty provincial Government.

Project Impacts will be assessed by comparing base-line information against ex-post impacts. Whilst it is unlikely that the impacts will be apparent during the project period, having baseline data will enable impacts to be assessed at some subsequent stage. Qualitative and quantitative information, at both an oblast and national level will be collected, and will focus on those variables that are important to measuring shared prosperity, such as, for example: per capita income; access to education facilities, healthcare and commercial centers; unsatisfied basic needs; consumption allocation; years of education; land prices; Gini co-efficient and number of SMEs.

The project will be gender-informed through both citizen engagement and by strategies aimed at ensuring equal opportunity. In order to decrease inequality, gender analysis will be addressed by: (a) Ensuring that the consultations that will be conducted as part of the ESIA, RPF, RAP, EMP and design stage, specifically engage with both men and women, in different fora if necessary, cognizant of their differing needs. (b) Ensuring that specific actions are developed to address the needs identified during the consultations. The outcomes of the consultations will be documented and will be used to inform the design of the road and ancillary features (eg footpaths, road crossing, road-side facilities, security features). (c) A grievance redressal mechanism will be developed and implemented, and this will specifically monitor feedback on a gender disaggregated basis. To ensure that the issues raised as part of the grievance redressal mechanism (GRM) are appropriately addressed and closed-out, it is proposed that proper use of the GRM (as evidenced by monthly reports and action lists) will be one of the project indicators. (d) Ensuring that women are provided equal opportunities to gain employment as part of the project financed activities, which is mainly expected within the construction and technical assistance components. The capacity of women to engage in paid employment, along with identification of any issues that may constrain the participation of women in these activities, will be assessed as part of the ESIA. Ensuring that women are given equal opportunity to gain employment will be done through appropriate clauses within the ToR and Bidding documents for each sub-project. The participation of women in the construction activities will be monitored and the statistics for job creation will be disaggregated by gender.

Component 1: Road Construction

This component comprises the main activities associated with works on road construction and widening, and includes:

- o Construction of 688 km of roadworks, in a number of separate contract packages. The number of packages will be confirmed during project preparation. However, procurement strategies will be adopted that will encourage qualified national contractors to bid for ICB contracts, in order to stimulate domestic job creation.
- o Construction supervision services. Consulting firms will be recruited to provide services across all construction sites. The number of firms to be procured will be confirmed during project preparation. The services will be procured in advance of finalizing the Bidding Documents (BD) for the works components, and will include (a) construction supervision services; (b) a design stage road safety audit which will include recommendations to modify the designs to address any identified unsafe issues; and (c) development of a Social Transparency System (STS), which will combine citizen engagement with a project Grievance Redress mechanism (GRM) that will be used during the implementation period to closely monitor, address and report on issues raised by road-users and people affected by the road construction activities. The STS will link to the existing web-site being used by CR as a tool to receive and disseminate corridor information.

Component 2 – Institutional Reforms :

This component will build on reforms introduced under the SWRP and EWRP and through other donor partners, and may include:

- o Planning, Design and Construction Manual. Envisioned to become the primary and mandatory reference for the planning, design and construction of roads, to ensure that all republican road projects are designed and constructed in accordance with an agreed set of functional and affordable standards. It would also provide a system to maintain and review technical specifications, standards, drawings and guidelines; and provide a methodology for incorporating relevant standards and the outcomes of recent technical assistances on designing for road safety, road tolling, traffic management, site safety management, environmental management, management of climate change vulnerabilities, road-side services, quality control, ITS, etc.
- o Road Safety Measures such as: (a) public relations, education, advocacy and outreach, particularly in relation to speed, fatigue and trucking controls; (b) equipment to enforce road safety legislation and axle-load controls.
- o Operational aspects which may include analysis of the use of tolling, weigh-in-motion technology and ITS platforms, to collect toll revenues and to monitor and deter overloaded vehicles and fatigued drivers. The project may also assess the feasibility of using the private sector to develop, install and operate various e-tolling systems.
- o Review of Road Maintenance methodologies.

Component 3 - Job and SME Strategies

This component is proposed to review and implement strategies that can increase private sector participation and job creation.

Component 4 - Project Management and Impact Assessment

To provide assistance to CR in implementing the project, such as (a) to support the project

management functions of the Project Management Team (PMT); (b) for an incremental operating budget; (c) for annual Technical audits; (d) for a base-line analysis to enable project impacts to be subsequently monitored, including an initial poverty assessment (disaggregated by gender) and citizen engagement discussions; (e) for project completion and Beneficiary Impact assessments; and (f) to support development of future IFI financed projects.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The project road consists of a 688 km section of road from Karaganda to Burylbaital, an essential link in the corridor between Almaty and Astana. The existing carriageway will be reconstructed and widened. It will improve the existing 2-lane single carriageway road to 4-lane dual carriageway road and will consist of 4 x 3.75m lanes, 3.75m shoulders, and a 3 to 6m median strip. It will be designed for a traffic speed of 120 kilometres / hour (km/hr) and axle loads up to 13 tonnes. Bridges, overpasses, and pedestrian and animal passes will be included where required and informed by social impact assessments. Minor deviations from the existing alignment are possible.

The project has all physical characteristics of a large linear infrastructure project, with significant spatial extension, visible impact on landscape, biosphere and land use patterns, strong dependence of its impacts on topography, climate, natural conditions and anthropogenic activity.

The project area has diverse landscapes and the alignment may be going through environmentally sensitive habitats along the proposed corridor, such as patches of forest, wetlands, river ecosystems or fragile habitats in desert / semi-desert areas, which may warrant an adjustment or re-routing of the road alignment. This will be presented in the ESIA sections on the description of baseline conditions, potential impacts and analysis of project alternatives, which will review the criteria for alignment selection, review if environmentally friendlier options can be envisaged and will also consider the option of not executing the project.

The main envisaged negative impacts during construction is the operation of borrow areas, generation of waste (construction materials, spent consumables, household waste and wastewater from camps), excessive land use, topsoil destruction and erosion. There is also a potential impact on groundwater and surface water (excessive turbidity and siltation) as a result of washing equipment in rivers (e.g. cement trucks) and accidental spills involving fuels and lubricants.

Preparation of the Planning, Design and Construction Manual will be subject to the review and inputs from the safeguards perspective. Based on the best international practices, the Manual will take into account environmental and social considerations for sound planning, design and construction practices.

E. Borrowers Institutional Capacity for Safeguard Policies

The project will be implemented by the Roads Committee (RC) of the Ministry of Investments and Development (Ministry) through its national road operator, JSC KazAvtoZhol (KAZ). Kazakhstan has made good progress with reforming and strengthening its road sector institutions. The Bank supported the Government in the reform aimed to introduce more efficient and commercially oriented management practices. In 2013 creation of the KAZ aimed at the following results, which were aligned with best global practices and supported by the Bank through the ongoing SWRP and EWRP:

- Improved institutional structure with decision making level and sector policy at the Ministry, road

sub-sector policy management at the RC, and operational implementation of the road policy at KAZ

- Separation of the client and supplier functions/organizations
- Better management of road assets by a new commercialized organization KAZ

KAZ has built its capacity through implementing projects financed by the World Bank and other international development institutions such as ADB and EBRD. In particular, environmental and social safeguards has become an integral part of the requirements stipulated in the tender documentation for the civil works contractors. Each contractor employs environmental specialists responsible for environmental control, monitoring and reporting. There are two people in KAZ Department for Roads Network Development and Investment Projects responsible for the implementation of the environmental safeguards. KAZ has also benefited from the safeguards trainings provided by the ADB and the World Bank during last 2 years. Significant progress is observed in relation to the public participation and consultation regarding the road construction works during the project preparation as well as the project implementation and completion. Safeguards related documents are publicly disclosed on the existing projects website and in hard copy in locations accessible to affected people and other stakeholders, providing the opportunity for public feedback and discussion.

Nonetheless, capacity-building efforts will still be required for the client - particularly with regards to the requirements for land acquisition; in implementing a robust grievance redressal system; and in monitoring and managing the social impacts of resettlement and land acquisition practices. This is due to the recent the land code changes introduced in 2011, designating the responsibility for resettlement and land acquisition implementation to the local authorities. The local administration has limited knowledge and skills around application of international practices for resettlement and land acquisition. In addition, tri-partite coordination and the flow of information between relatively new operator KAZ, the RC and the local authorities will need to be strengthened, to ensure compliance including timely reporting and monitoring.

KAZ is now operational with local departments in 14 oblasts, and as a result of their work in 2013-2014 the overall institutional set up and local technical capacity has improved. However, changes in the Government of Kazakhstan structure in autumn of 2014, including in the top positions, led to a lack of coordination and overall understanding between the RC and KAZ. The transfer of implementation of construction and maintenance projects from RC to KAZ, as planned earlier by end 2014, so that the company becomes an operator for the entire republican roads network, has not yet materialized.

As of February 2014, the KAZ has become a part of the JSC Kazakhstan Temir Zholy, a national railway company. At the same time the Ministry remains to be a sole shareholder of the KAZ, which gives grounds for solid involvement of KAZ in the project implementation. TBC

Institutional Framework: The current institutional capacity of the borrower to implement the described measures relies on four main entities currently in charge of country based environmental and social safeguards. Those entities are responsible for: (a) environment; (b) water resources; (c) forestry and hunting; and (d) land management. Construction works are supervised by the Ministry for Environmental Protection (MoEP) and its subordinate agencies. Local units of the MoEP, Environmental Expertise and Nature Use Regulation Department are structured into thematic groups, which at Oblast level include among others (i) environmental expertise, (ii) permitting, (iii) supervision and monitoring, (iv) environmental laboratories. At the Rayon level each of these thematic units is represented by one inspector. The capacity for the KAZ to provide regular

monitoring of social impacts and land acquisition is moderate and requires additional strengthening.

Projects and operations where negative impacts may occur are usually inspected once per year and carried out by the MoEP staff and/or Oblast and Rayon representatives. In addition, Oblast and Rayon level staff monitor the sites on a quarterly basis and play a key role in commissioning the finalized project, thereby checking environmental compliance with design and final implementation of all required environmental restoration and recultivation measures. The MoEP regional staff usually contacts the project developers, the contractor's environmental staff and the unit on site, which is a mandatory requirement (called "production control" under the Kazakh legislation).

At the same time, the MoEP and other regulatory bodies have limited resources for continuous inspection and monitoring of the civil works contractors and subcontractors. The capacity of the KAZ, therefore, should be strengthened in order to be able to monitor day-to-day environmental and health and safety performance of the subcontractors.

The EIA process in Kazakhstan is described in the Environmental code (2007) and a set of detailed implementation instructions. It foresees four stages, which correlate with the respective design activities and range from (i) a desk study for pre-feasibility level, (ii) a preliminary EIA and (iii) a detailed ("full") EIA for the detailed design stage and (iv) an EMP as separate section of the design documentation. In this respect the EIA process is both logical and deemed compatible with international good practice.

There have been changes to the expropriation laws in the country. Particularly, the land code introduced in March 2011, introduced new changes around methodology and the compensation rates, in addition to designating local administration to be responsible for the land acquisition process. Various legal clarifications have also been issued to date. The Bank will conduct a gap analysis as part of the due diligence process, prior to the project appraisal.

Coordination with other IFIs: This project, like the ongoing EWRP and SWRP, is closely coordinated with other IFIs (i.e. EBRD, ADB, IDB) investing in other sections of the Center-West Corridor. The coordination on safeguards includes sharing the TORs for preparation of safeguards documents, exchange of views regarding feasibility studies, EIAs etc. and direct communication between safeguards specialists of the Bank and other IFIs.

F. Environmental and Social Safeguards Specialists on the Team

Alexei Slenzak (GENDR)

Lola Ibragimova (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>A safeguards category A is proposed (to be confirmed during preparation). The environmental Category A is justified by scale of the project and potential impacts which may include:</p> <p>The main envisaged negative impacts during construction is the operation of borrow areas,</p>

		<p>generation of waste (construction materials, spent consumables, household waste and wastewater from camps), excessive land use, topsoil destruction and erosion. There is also a potential impact on groundwater and surface water from excessive turbidity and siltation, washing equipment in rivers (e.g. cement trucks) and accidental spills involving fuels and lubricants. During operation of the road storm drainage management, soils, ground and surface water contamination by heavy metals, soot and organic compounds (e.g. PAH), noise, dust, air pollution will be the main issues. There is a potential risk of destruction or disruption of natural habitats and ecosystems by poor construction management.</p> <p>The Borrower will prepare the ESIA and EMP which will be reviewed by the Bank team, disclosed and consulted upon by the Borrower.</p> <p>Preparation of the Planning, Design and Construction Manual will be subject to the review and inputs from the safeguards perspective. The TOR as well as draft Manual will be reviewed to ensure environmental and social aspects are adequately considered.</p>
Natural Habitats OP/BP 4.04	TBD	The alignment project area will be checked regarding potential negative impacts on protected areas or natural habitats along the alignment during project preparation to avoid or mitigate such adverse impacts.
Forests OP/BP 4.36	No	The project does not involve forestry operations. Potential impacts on natural forests will be assessed under OP 4.04 for Natural Habitats. Policy OP 4.36 for Forests is not triggered.
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	TBD	Kazakhstan is a country rich in cultural heritage, especially along the historic silk road corridor. During project preparation the project team will determine with the Borrower whether there are known cultural/historic sites along the alignment, which would trigger the Policy.
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	The project is expected to have land acquisition and resettlement impacts due to construction works associated with expansion to four lanes from the

		existing two. The RPF is expected to be prepared by the client. In case the detailed designs will be clarified at the project preparation, the client will also prepare RAP(s).
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	Given that there are no impacts on the international waterways associated with the project there are no grounds to trigger OP7.50.
Projects in Disputed Areas OP/BP 7.60	No	The project is not located in or near disputed areas.

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 16-Aug-2015

B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing¹ should be specified in the PAD-stage ISDS:

The team will assist the client in preparation of the TOR for a Consultancy to prepare the ESIA in a form and standard that can be acceptable to the Bank for review and approval. A key activity will be the production of acceptable EMPs and a meaningful analysis of alternatives.

The goal is to have the ESIAs for the project properly formatted, with consistent quality, containing a baseline analysis (incl. special vulnerabilities), a clear impact analysis, a comprehensive discussion of mitigation measures, an analysis of alternative project design options, and a meaningful EMP and monitoring plan, by early September 2015. As a Category A project, the ESIA/EMP will need to be disclosed for 120 days before the project is presented to the Board.

In addition, following the results of the pre-feasibility options study and the types of the project activities, it is likely that the project will necessitate resettlement (scope to be determined) and permanent and temporary land acquisition. It is expected that a Resettlement Policy Framework will be prepared for the project, based on the ESIA outcomes and the results of the preliminary design options. The RPF is expected to be prepared and disclosed by September 2015. Site-specific RAPs will be prepared for any section where the design would be sufficiently advanced.

IV. APPROVALS

Task Team Leader(s):	Name: Fiona J Collin	
Approved By:		
Safeguards Advisor:	Name: Agnes I. Kiss (SA)	Date: 04-Apr-2015
Practice Manager/ Manager:	Name: Juan Gaviria (PMGR)	Date: 04-Apr-2015

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.