



Afghanistan: Road Asset Management Project - Additional Financing

Project Name	Road Asset Management Project - Additional Financing	
Project Number	50062-002	
Country	Afghanistan	
Project Status	Approved	
Project Type / Modality of Assistance	Grant	
Source of Funding / Amount	Grant 0541-AFG: Road Asset Management Project - Additional Financing	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 30.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development	
Sector / Subsector	Transport - Road transport (non-urban)	
Gender Equity and Mainstreaming	No gender elements	
Description	<p>The Road Asset Management project (RAMP) will finance priority maintenance works for part of Afghanistan's regional highway sections from Kabul to Ghazni and from Kabul to Jalalabad, which are the economic lifeline of the country's eastern region. The project will include a capacity development component to introduce sustainable road management practices, specifically in road asset management and road maintenance. The additional financing will help finance the gap arising from changes in financing arrangements and a change in scope of the RAMP, to include priority maintenance works for the Southern National Ring Road of Afghanistan's regional highway, which is the economic lifeline of the country's eastern region. The project will include a capacity development component to introduce sustainable road management practices, specifically in road asset management and road maintenance. The overall project will facilitate regional connectivity, improve quality and efficiency of road transport services, and promote inclusive economic growth.</p>	

Project Rationale and Linkage to Country/Regional Strategy

In early 2016, ADB estimated about \$55.0 to \$ 60.0 million will be needed to address the maintenance work on Afghanistan's national ring road section between Kabul and Kandahar; and the strategic highway section between Kabul and Jalalabad. ADB approved the current project of \$25.5 million from ADB's Special Funds resources on 31 October 2016 with a grant effectiveness date of 5 January 2017. The current project was designed to (i) initiate the establishment of a sustainable road maintenance system for the country's major highways and (ii) develop Ministry of Public Works' (MPW) O&M capacity. The project's two major components are road maintenance and a road asset management system (RAMS). Two sections of national highways were selected for maintenance because of their economic and strategic importance: (i) Kabul to Jalalabad Highway from Surubi to Jalalabad and (ii) the Kabul to Kandahar Highway from Kabul to Ghazni. The project will also develop a Road Asset Management System (RAMS) as the primary decision-making support tool to help MPW plan and manage road O&M.

The current project intends to provide MPW with a RAMS that will support objective planning, improve road serviceability, and ensure cost-effective use of available resources. The prospect of additional financing was raised in the report and recommendation of the President for the current project (<https://www.adb.org/projects/documents/afg-road-asset-management-project-rrp>). The additional financing is needed to (i) fill the financing gap of \$30.3 million; and (ii) include the section of Kabul to Kandahar Highway, between Ghazni and Kandahar in southeastern Afghanistan, which was part of the original scope of the 2016 need assessment for maintenance of the ring road.

The additional financing will support scaling up of O&M practices. This will include overloading control by providing weighbridges in the key locations of Afghanistan's regional highway. It will help consolidate development outcomes by establishing sustainable road asset management and road maintenance practices. Overall, the project meets the eligibility criteria for additional financing. The additional financing will enhance the intended impact of the current project by utilizing the existing implementation arrangements, achieving results quickly.

The overall project is in line with the strategic objectives, as described in ADB's country operations business plan (COBP), 2017 2019, of ensuring continual support for road network O&M in the short term and developing the government's O&M capacity in the long term. The COBP identifies investments in developing a safe, reliable, and efficient transport network connecting urban and rural centers as priorities for the transport sector and are in line with the government's strategies for development of the sector.

Impact Increased sustainability of Afghanistan's road transport sector

Project Outcome

Description of Outcome Improved road connectivity and safety

Progress Toward Outcome

Implementation Progress

Description of Project Outputs National highways in the southeastern region maintained O&M and road asset management capacity enhanced

Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location

Safeguard Categories

Environment C

Involuntary Resettlement C

Indigenous Peoples C

Summary of Environmental and Social Aspects

Environmental Aspects The project is category C for the environment, involuntary resettlement, and indigenous people. It focuses on road maintenance within the boundaries of the right-of-way of existing carriageway of the Kabul Jalalabad and Kabul Ghazni highways. The project does not have any adverse social or environmental impacts because of the limited scale and scope of the maintenance works, and the use of small machinery and equipment for the activities. The environmental impact will be minimal, not requiring mitigation actions. The project complies with the ADB's safeguard requirements.

Involuntary Resettlement All three safeguard categories are categorized as C since no land acquisition or involuntary resettlement is required, as the maintenance work will be carried out within the right-of-way of existing roads; Thus, no land acquisition and resettlement plan, indigenous peoples plan, or initial environment assessment and environmental monitoring plan will be required.

Indigenous Peoples The project is category C indigenous people. No indigenous peoples, as defined by ADB for operational purposes, live within the project area

Stakeholder Communication, Participation, and Consultation

During Project Design	Consultation with MPW indicates the possibility of hiring local labor for rehabilitation and maintenance works, thus increasing incomes of the surrounding communities, in line with the fragile and conflict-centered situation responsive approach for Afghanistan. Initial consultations with community members in the command area show that the project is perceived as bringing jobs and livelihood opportunities and improving people's mobility. Continuous consultation with the stakeholders will be conducted during project implementation
During Project Implementation	MPW and ADB will maintain and regularly update its website with information on the Project, and regularly consult with the public, civil society organizations and development partners in respect of each of the foregoing matters.

Business Opportunities

Consulting Services	All consulting services will be recruited in accordance with ADB's Guidelines on the Use of Consultants.
Procurement	Procurement financed by the ADB grant will be undertaken in accordance with ADB's Procurement Guidelines.

Responsible ADB Officer	Soetantri, Nana S R H
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Transport and Communications Division, CWRD
Executing Agencies	<i>Ministry of Finance Dr. Mohammad Khalid Payenda, Deputy Minister khalid.payenda@mof.gov.af Pashtunistan Watt, Kabul, Islamic Republic of Afghanistan</i>

Timetable

Concept Clearance	-
Fact Finding	-
MRM	24 Jul 2017
Approval	19 Sep 2017
Last Review Mission	-
Last PDS Update	29 Sep 2017

Grant 0541-AFG

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	30.30	Cumulative Contract Awards			
ADB	30.00	-	0.00	0.00	%
Counterpart	0.30	Cumulative Disbursements			
Cofinancing	0.00	-	0.00	0.00	%

Project Page	https://www.adb.org/projects/50062-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=50062-002
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