



Georgia: Preparing the East-West Highway (Shorapani-Argveta Section) Improvement Project

Project Name	Preparing the East-West Highway (Shorapani-Argveta Section) Improvement Project	
Project Number	53178-002	
Country	Georgia	
Project Status	Active	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 9755-GEO: Preparing the East-West Highway (Shorapani-Argveta Section) Improvement Project	
	Technical Assistance Special Fund	US\$ 200,000.00
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development	
Sector / Subsector	Transport - Road transport (non-urban)	
Gender Equity and Mainstreaming	Some gender elements	
Description	<p>The Government of Georgia, through the Roads Department (RD) of the Ministry of Regional Development and Infrastructure, is planning capacity expansion of the current 2-lane mountainous section of the East West Highway (Highway E60) between Chumateleti and Argveta in central Georgia, a distance of about 53 km, through mountainous terrain. The Government has requested the Asian Development Bank (ADB) and several other development partners to finance this expansion program.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>The Government of Georgia is committed to developing the country as a regional transport and logistics hub for trade between Europe and Central Asia and even East Asia. The East West Highway (EWH), stretching 410 km from Sarpi on the Black Sea, at the border with Turkey, through the center of the country to the capital Tbilisi and on to the border with Azerbaijan, is the main inter-regional and international route between western and eastern Georgia, as well as its neighboring countries. The EWH represents about 2% of Georgia's road network length, one fourth of its international road network and carries over 60% of the country's foreign trade. The EWH serves 13,000 vehicles per day (vpd) on average, with a traffic growth rate of over 10% per annum since 2005. After Georgia's admission to CAREC in 2016, the EWH has been an integral part of one of the six key CAREC corridors providing the shortest transit link connecting Central Asia with Europe and East Asia.</p> <p>A feasibility study financed under a World Bank project for the Chumateleti Argveta section (comprising four sections F1 through F4) of the EWH was completed in 2015. The World Bank and EIB are cofinancing section F1 of about 11km from Chumateleti to Khevi. Procurement for civil works is on-going. Detailed design of the approximate 42 km section, sections F2, F3, and F4 between Khevi and Argveta, have been finalized under an ongoing ADB loan (Loan 2843-GEO). L3715-GEO: East-West Highway (Khevi Ubisa Section) Improvement Project (F2) was approved by ADB on 27 September 2018, the civil works contract was awarded on 20 November 2018 with mobilization advance disbursed on 21 December 2018. Contractor mobilization is expected in May 2019. The E-60 Ubisa Shorapani Section F3 (FL 20160404) was approved by the EIB on 3 September 2018, the civil works contract was awarded on 21 November 2018 with mobilization advance also disbursed in December 2018. Contractor mobilization is expected in June 2019. F4 Shorapani Argveta Road Section (E60 Highway) was prepared for financing by JICA through a tied loan. However, the bidding process which took place in 2018 was not successful. The Government is now considering ADB financing for this section. The section improvement requires the construction of 12 tunnels (6 double tubes), 12 bridges (10 long span, 2 short span), 4 interchanges and several deep cuttings and high embankments with a total length of 14.8 km. While there are some similarities between the 2 institutions' requirements, the proposed project's documentation (such as EIA, LARP, bidding documents, etc.) finalized in 2018 needs to be adjusted to be in line with ADB's standards and policies and updated to reflect the new timeline. Other than the on-going land acquisition which will need to be comprehensively verified, the due diligence is not expected to be lengthy or substantial, especially since ADB financed the initial project preparation. The proposed project will improve the Shorapani Argveta section (F4) of the East West Highway. Further, the project's focus on climate resilient design will contribute to the sustainability of Georgia's road network. The outcome of the project is Efficiency and safety of road transport along the EWH improved. The project will be aligned with the following impacts: (i) economic growth and regional connectivity supported (Georgia 2020),2 and (ii) competitive corridors across the Central Asia Regional Economic Cooperation (CAREC) region established (CAREC Program). The project is in line with the government's Georgia 2020 Strategy and fits with ADB's Strategy 2030.</p> <p>The proposed small-scale technical assistance (SSTA) will ensure that the project will be prepared to acceptable technical, safeguards, and procurement standards. The ensuing project is expected to meet the <u>high readiness</u> criteria before Board consideration.</p>	
Impact		
Project Outcome		
Description of Outcome		
Progress Toward Outcome		
Implementation Progress		
Description of Project Outputs		
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location	Argveta, Shorapani	
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 international consultants to assist ADB and MRDI with preparing the project to the standard required for processing ADB financing. The consultants will be recruited in accordance with ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. Other required position are as follows: (i) Climate Risks & Vulnerabilities Specialist, (ii) Financial Management Specialist, (iii) Road Safety Specialist, (iv) Transport Economist, (v) Social Development Specialist, (vi) Road Transport Specialist, (vii) Gender & Social Development Consultant
Procurement	N/A

Responsible ADB Officer	Valerie Lisack
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

Timetable	
Concept Clearance	-
Fact Finding	-
MRM	-
Approval	02 Jul 2019
Last Review Mission	-
Last PDS Update	02 Jul 2019

TA 9755-GEO

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
02 Jul 2019	-	02 Jul 2019	31 Dec 2025	-	-

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
200,000.00	0.00	0.00	0.00	0.00	0.00	02 Jul 2019	0.00	

Project Page	https://www.adb.org/projects/53178-002/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=53178-002
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