



Project Summary Information

Date of Document Preparation: 09/18/25	
Project Name	Reconstruction of A-27 Highway Atyrau-Dossor Section Project
Project Number	P001023
AIIB member	Republic of Kazakhstan
Sector/Subsector	Transport/Roads
Alignment with AIIB's thematic priorities	Connectivity and Regional Cooperation; Green Infrastructure
Status of Financing	Under Preparation
Objective	To provide safe, efficient, and climate-resilient connectivity along the Atyrau-Dossor Section of the A-27 Highway in Kazakhstan's Atyrau Oblast.
Project Description	The Project will include reconstruction and upgrading (from 2- to 4-lanes) of an 86 km road section of A-27 Highway between the city of Atyrau and town of Dossor in the Atyrau region of Kazakhstan. The Project aims to increase the capacity and operating efficiency of the road section, improve the road safety, and promote the development of local economy. The Project scope includes the expansion and construction of dual-carriageways with Category I-b, including 136 culverts, 30 cattle underpasses, four bridges, three railway overpasses, 18 agricultural machinery overpasses, one interchange, and two rest areas. The Project will also support associated supervision, implementation support, and institutional capacity-building activities. The Project is the joint multilateral development banks' efforts in improving the road network connectivity in the west of Kazakhstan. The road links with the Asian Development Bank financed Aktobe-Makat road project in the east and the Atyrau – Astrakhan road project financed by European Bank for Reconstruction and Development in the west. The Project road is a vital segment of the international transit corridor, facilitating the overland transit of goods from Uzbekistan and Turkmenistan to western Kazakhstan. It also enhances connectivity between the Atyrau Region and Aktau, a Caspian Sea port city and a key transit hub along the Middle Corridor, thereby positioning the Atyrau Region as a critical feeder zone for the Trans-Caspian International Transport Route. The Project aims to enhance the road's capacity, allowing for increased traffic flow and improved safety, which will, in turn, promote export-import operations and regional economic growth.

	The Project aims to improve road conditions and capacity to accommodate growing traffic demand, with enhancements of road safety, service levels, and climate-resilient standards. In addition, it will introduce the Design-Build-Maintain (DBM) contract model and a tolling system to strengthen the road's long-term technical and financial sustainability. It will be the first toll road in the Atyrau Oblast. This Project is among the pioneers in using an integrated DBM contract model based on the Yellow Book contract format of the International Federation of Consulting Engineers (FIDIC). This integrated approach leverages private sector expertise to develop the design and long-term maintenance program upfront, ensuring alignment with the specific project features and supporting a lifecycle approach to road infrastructure planning. It also aims to reduce the risk of cost overruns and implementation delays commonly associated with conventional contract models. AIIB is proposed to provide Sovereign Backed financing of approximately 88 percent of the total Project cost, through two loan tranches in 2025 and 2026 respectively. Government of Kazakhstan (GoK) will finance the remaining share up to 12 percent as counterpart funding. According to the government sovereign guarantee arrangement to the Project, the first loan tranche is around 37 percent of total AIIB financing. It is expected to be committed in 2025 and focuses on procuring DBM contractors and the supervision consultants, hiring the project management consultant, advancing the road design, and updating the relevant ES instruments. The second loan tranche accounting for remaining 63 percent is expected to be committed in 2026 and focuses on construction, implementation, and institutional capacity building activities. As Bank's first standalone operation in road sector in Kazakhstan, the Project plans to assist GoK in accessing grant funding from China International Development Cooperation Agency (CIDCA) on a best effort basis, to complement AIIB's loan financing to enhance the institutional capacity, strengthen the project quality and promote the adaptation of international good practice in road sector investment and operations in Kazakhstan.
Expected Results	The Project is expected to reduce the average travel time along the Atyrau-Dossor section, make the road more resilient to climate, enhance operating efficiency along the road section, improve the road condition and the road safety, and improve access of the population along the Project road section.
Environmental and Social Category	B
Environmental and Social Information	Applicable Policy and Categorization: AIIB's Environmental and Social Policy (ESP), including relevant Environmental and Social Standards (ESS) and the Environmental and Social Exclusion List (ESEL), will apply to this Project. ESS 1 and 2 are relevant, while ESS3 is not relevant, as no indigenous people are present in the country as per ESS3 definition. The Project is categorized as Category B due to the scale and magnitude of

	environmental and social (ES) impacts of this Project that can be avoided or mitigated by adhering to relevant ESSs, procedures, and guidelines. Environmental and Social Instruments: During project preparation, the following instruments will be prepared: a) Draft E&S Impact Assessment (ESIA), including ES Management Plan (ESMP), b) Draft Land Acquisition and Resettlement Plan (LARP), c) Stakeholder Engagement Plan (SEP), d) Labor Management Procedures (LMP), and e) ES Action Plan (ESAP). The instruments will be finalized post-detailed design and cascaded down to the contractors' site-specific ES management plans (CESMPs). Environmental Aspects: The key environmental risks/impacts include habitat disturbance, dust generation, noise and vibration from construction activities and operation period, and risks of pollution from construction waste, fuel spills, and improper waste disposal. While the Project does not traverse legally protected areas, Ramsar sites, or Key Biodiversity Areas, it may impact local biodiversity through habitat fragmentation, potential roadkill incidents, and disturbances to wildlife movement. Relevant assessments and mitigation measures, including noise baseline survey and noise dispersion modeling, will be carried out to confirm that the final noise mitigation strategy is effective and fit for purpose, and will be included in the ESIA/ESMP, and then cascaded to CESMPs. Social and Gender Aspects: The Project is expected to generate positive social benefits for the local population, including improved travel conditions and road safety, reduced transportation costs, travel time, and congestion. The social risks and potential impacts are associated with land acquisition, livelihood disruption, restrictions on land use, as well as community health and safety associated with potential labor influx. Resettlement-related impacts will be addressed in line with the LARP to be finalized once detailed designs are ready. The Project may require relocation of relevant utilities located along the alignment. Given the large influx of labor in the region, gender-based violence and harassment (GBVH) cases may arise during the construction phase. As part of ESIA relevant assessments will be completed to identify mitigation measures to be incorporated into the ESMP and CESMPs to address the above stated social risks and impacts. Occupational Health and Safety (OHS), Labor and Working Conditions (LWC): The Project will involve typical construction-related OHS risks, like worksite accidents, mechanical and load-handling hazards, exposure to hazardous chemicals and materials, operation of heavy machinery, electric shock, extreme weather conditions, noise, vibration, and increased road traffic hazards and safety. To mitigate these risks, the ESMP will include OHS measures, which will be further integrated into the Contractors' site-specific OHS Plan. LWC risks/impacts related to sub-standard working practices will be managed through implementation of LMP. Stakeholder Engagement, Consultation and Information Disclosure. SEP will be prepared to identify key stakeholders and define communication channels and engagement activities throughout the project cycle. A series of public consultation meetings were carried out along with the alignment during 2024 feasibility study and national EIA preparation. The main concerns raised by communities will be addressed in the final technical design. The
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	ES documentation will be disclosed in English and the local language(s) on the Borrower's and Bank's websites 30 calendar days before financing approval. Project Grievance Redress Mechanism (GRM) and the Arrangement of Monitoring and Reporting: A two-tier existing GRM will be adapted to address project specific community and worker grievances, including ES issues and GBVH concerns, ensuring stakeholder engagement throughout the project lifecycle. The Borrower will be responsible for coordination, supervision, and monitoring of the Project in compliance with the AIIB's ESP and ESS, and management of the project-level GRMs. The Borrower will submit semi-annual monitoring reports based on the agreed format to AIIB for review. AIIB will retain its rights to conduct field supervisions to verify the progress of ESMP implementation.		
Cost and Financing Plan	Total Project Cost: USD272mn Proposed AIIB financing: USD238mn CIDCA grant: USD 2mn Government of Kazakhstan: USD32mn		
Borrower	KazAvtoZhol National Company Joint Stock Company		
Guarantor	Republic of Kazakhstan		
Implementing Entity	KazAvtoZhol National Company Joint Stock Company		
Contact Points:	AIIB	Borrower	Implementation Organization/Sponsor
Name	Anzheng Wei	Raikhan Sagindykova	Serik Imashev
Title	Senior Investment Officer	Deputy Chairman, KazAvtoZhol National Company Joint Stock Company	Chief Engineer, KazAvtoZhol National Company Joint Stock Company
Email Address	awei@aiib.org	raikhan.sagindykova@qaj.kz	Qajchief.engineer@gmail.com
Date of Concept Decision	September 18, 2025		
Estimated Date of Appraisal Decision	November 2025		
Estimated Date of Financing Approval	December 2025		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations where their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. For information on
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	AIIB's PPM, please visit: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html .
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