

# INTEGRATED SAFEGUARDS DATA SHEET

## CONCEPT STAGE

**Report No.:** ISDSC5418

**Date ISDS Prepared/Updated:** 05-May-2014

**Date ISDS Approved/Disclosed:** 18-Dec-2014

### I. BASIC INFORMATION

#### A. Basic Project Data

Country:	Uzbekistan	Project ID:	P146328
Project Name:	Pap-Angren Railway (P146328)		
Task Team Leader:	Jacques Bure		
Estimated Appraisal Date:	14-Oct-2014	Estimated Board Date:	27-Jan-2015
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Railways (90%), Other domestic and international trade (10%)		
Theme(s):	Trade facilitation and market access (100%)		
Financing (In USD Million)			
Total Project Cost:	1633.75	Total Bank Financing:	195.00
Financing Gap:	0.00		
Financing Source		Amount	
Borrower		1088.75	
International Bank for Reconstruction and Development		195.00	
China Export Import Bank		350.00	
Total		1633.75	
Environmental Category:	A - Full Assessment		
Is this a Repeater project?	No		

#### B. Project Objectives

The proposed Project Development Objective (PDO) is to reduce costs and provide connectivity between the Uzbek part of the Ferghana Valley and the rest of Uzbekistan thereby improving access and closing economic gap with the rest of Uzbekistan and international markets.

#### C. Project Description

The proposed Project will support Uzbekistan Railways to build a single 124 km track rail link

between Angren and Pap with a 19.6 km rail tunnel through the Kamchik Pass. The proposed Project will be an Investment Project Financing of about \$200 million that would be made to the Ministry of Finance and on-lent to UTY. It would support such components as signaling, electrification, track maintenance equipment for the Angren – Pap railway line, technical assistance to UTY, technical assistance and small infrastructure investment for regional development. The disbursement profile for the Project will be back-end loaded with technical assistance and regional development activities to be completed in the first half of the Project and the rail related investments to be completed in the second half.

#### Component 1: Rail Investments

- Signaling and Communications (US\$ 50 million). The proposed loan would finance a microprocessor based train control system with fiber optic-based communications. The system would be controlled from UTY's existing dispatching center in Tashkent. UTY will carry out the related civil works (buildings, cable ducts and cable laying).
- Track Maintenance Equipment (US\$ 70 million). The proposed loan would finance equipment such as tamping machines used for maintaining the track.
- Electrification (US\$ 54 million). The proposed loan would finance (a) turnkey construction of three traction substations including the SCADA system for optimizing energy use, and (b) materials such as cables for the catenary. UTY will construct the catenary structure and install the cabling.
- Track Materials (US\$ 23 million). The proposed loan would finance rails, sleepers, turnouts, switches and fastenings for construction of the track. The installation of the materials would be carried out by UTY.

Component 2 (US\$ 1 million): Technical Assistance for UTY including technical assistance for design, tunnel safety, technology on signaling and communication, study to explore private participation options.

Component 3 (US\$1 million): Technical assistance for Uzbek Ferghana Valley regional government to develop a Valley Transport Logistics Platform which would enhance the linkages of road and rail, with a clear aim of providing improved logistics with a special focus to assist agricultural producers and small businesses in the Valley to improve their export potential.

Component 4 (US\$ 1 million): Implementation Support.

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

The railway start/end points are cities of Angren and Pap. Angren is located in Tashkent oblast and has population of 127 thousand people. The city used to be a center of Uzbek coal industry. Pap is a rayon center with population of 25 thousand people, located in the North-West of Fergana Valley.

The proposed alignment of the railway goes through diverse plain and mountainous terrain and both environmental (Environmental Assessment, OP 4.01) and social (Involuntary Resettlement, OP 4.12) safeguard policies will be triggered. Scale of potential environmental and social (resettlement) impacts is significant and this project should be classified as Environmental Category A. Four alternative alignments were considered at initial stage of alignment identification and two alignments were considered at pre-feasibility stage. Option A (preferred option) is 123 km long and has two tunnels (19.1 km and 0.2 km) with the range of tunnel altitudes between 1320 m and 1485 m. Option B is 146 km long, has 14 tunnels with total length of 19.5 km with the range of tunnel altitudes

between 1799 m and 1895 m. The tunnel fall/decline in both options is 20/1000.

Within Angren the ROW of the existing railroad will be used and starting from the coal mining area to the East of Angren the “greenfield” part will go. The Northern section of the railway (i.e. section between Angren and tunnel portal at km 36) will go along Akhangaran water reservoir and will cross/overpass (bridge or embankment) at least one of the reservoir's small bays. Also, the alignment runs through Akhangara river canyon/ravine with very diverse and rough topographic profile. At several points the ravine is very narrow and will require carefully crafted environmental mitigation plans to prevent significant negative impact on the river Akhangara. This will require full-scale EIA and preparation of detailed EMP (Environmental Category A). The tunnel will start at km 36 and end at km 57 nearby the river Sansalak-Sai. Between km 63 and km 85 the road will go along Gulistan, Altynkan and Chadak villages and the territory of Almalyk ore mining works (non-ferrous metals). Within the Southern section (i.e. section between the tunnel portal at km 57 and Pap) the railroad will go through agricultural land. Starting km 95 the road will enter agricultural non-arable (according to UTY - pastures). The last 20 km of the railroad before entering Pap will go through agricultural arable land. The preliminary assessment of the scope of land acquisition and resettlement done by Design and Surveying Institute of Uzbekistan is not fully disclosed to the team at the moment. The identification mission and preliminary discussion on the ground suggest that at least 329 households including farms and small number of commercial entities (local bazars) could be affected. The full social baseline survey will need to be conducted to determine exact estimates. The Resettlement Action Plan is expected to be developed to clearly identifying existing gaps between proposed social impact mitigation measures, including ongoing resettlement and land acquisition and the gap with the Bank's safeguards policies.

As a separate environmental concern it should be noted that the area of the tunnel is considered to be a prospective uranium mining field. At nearby locations the radioactivity at anomalous points reaches 1000 microrentgen/hour. Detailed radiological surveying of the area is needed as part of the upcoming detailed design preparation phase.

No public consultations on Draft EIA were held.

### **E. Borrowers Institutional Capacity for Safeguard Policies**

Uzbekistan Railways (state company) has assigned a Project Implementation Unit (PIU) to work on this project. Mr. Navruz Erkinov was appointed as Head of the PIU. Implementation arrangements have to be discussed with UTY.

### **F. Environmental and Social Safeguards Specialists on the Team**

Alexei Slenzak (GENDR)

Lola Ibragimova (GSURR)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

<b>Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
Environmental Assessment OP/BP 4.01	Yes	The draft EIA (Statement on Environmental Impacts in Uzbekistan) for railway and tunnel was prepared by the Design institute Boshtransloiha. Following the recommendations of the State Expert Review and the Bank, the EIA is being updated and advanced draft of the EIA (with EMP) acceptable to the Government

		of Uzbekistan and the World Bank will be publicly disclosed and consulted upon with interested stakeholders. The EIA (with EMP) will includes action plans for: (a) management of radioactivity risk, (b) mitigation of negative environmental impacts in sensitive areas (i.e. pollution of rivers and streams, water protection zones), (c) management of borrow pits and sites for waste material, (d) management of geological risks and emergency situations, and (e) Physical Cultural Resources. Social Assessment has not been part of the EIA, although land acquisition and involuntary resettlement impacts have been partially identified. The project requires EIA. The pre-feasibility study was prepared by Design and Surveying Institute of Uzbekistan. Draft EIA prepared in 2012 as part of pre-feasibility study highlights key environmental impacts and proposed mitigation measures with good level of detail. Next stages of the EIA – Final EIA and Statement on Environmental Impacts (document required by legislation of Uzbekistan) will be undertaken upon completion of preparation of feasibility study and project commissioning respectively. Social Assessment has not been part of the EIA, although land acquisition and involuntary resettlement impacts have been partially identified.
Natural Habitats OP/BP 4.04	TBD	Draft EIA indicates potential impacts on a number of Red Book species and important natural habitats (though these areas do not have “protected area” status). The team will review the report prepared by the institute of flora and fauna genetic of the Academy of Science of the Republic of Uzbekistan and determine whether OP 4.04 will be triggered.
Forests OP/BP 4.36	TBD	Draft EIA indicates potential impacts on forested areas along the alignment. The team will review the EIA documentation and the report prepared by the institute of flora and fauna genetic of the Academy of Science of the Republic of Uzbekistan and determine whether OP 4.36 will be triggered.
Pest Management OP 4.09	No	Not applicable.
Physical Cultural Resources OP/BP 4.11	Yes	Draft EIA highlights potential impact of railway construction on historical and cultural monuments of Uzbekistan and recommends to undertake detailed archeological survey of the railway line route.
	TBD	Will be assessed during project preparation

Indigenous Peoples OP/BP 4.10		
Involuntary Resettlement OP/BP 4.12	Yes	The project will require land acquisition (both residential and agricultural land) and resettlement. Currently, civil works are ongoing. UTY together with a working group under the Ministry of Economy committed to prepare a Resettlement Policy Framework for the project, and a Resettlement Action Plan for any areas where the design of the railway line and structures is sufficiently advanced that the affected people can be identified. The Audit of the resettlement, which was already completed to date, will specify any remedial measures that would be needed to bring that resettlement into compliance with OP 4.12. The client is expected to implement remedial measures, including provision of any compensation retroactively.
Safety of Dams OP/BP 4.37	TBD	Part of the proposed railway alignment is near a reservoir, so it must be determined whether it would be vulnerable to breakage of a dam associated with that reservoir.
Projects on International Waterways OP/BP 7.50	TBD	During project preparation it will be determined whether the Akhangara river qualifies under WB criteria as an international water body and whether the policy should be triggered.
Projects in Disputed Areas OP/BP 7.60	No	Not applicable

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS: 30-May-2014**

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**  
**The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

<sup>1</sup> 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.

The pre-feasibility study was prepared by Design and Surveying Institute of Uzbekistan. Draft EIA prepared in 2012 as part of pre-feasibility study highlights key environmental impacts and proposed mitigation measures with good level of detail. Preparation of the Draft Statement on EIA was a collaborative effort of experts from 18 organizations, including various state agencies, specialized design institutes and companies. Next stages of the EIA – Final EIA and Statement on Environmental Impacts (document required by legislation of Uzbekistan) will be undertaken upon completion of preparation of feasibility study and project commissioning respectively. Draft EIA made following recommendations for additional studies/surveys:

1. Detailed engineering-geological surveys and avalanche researches per approved scenario of the railway route for development of protection measures in the landslide-landfall areas.
2. For the selected scenario of the route, undertake seismic risk micro-zoning of the route territory.
3. Radiation/environmental researches of the surface and depth of the railway line route and the mountain pass tunnel.
4. Detailed archeological survey of the railway line route.
5. Design of phytomeliorative works, aimed as prevention of erosive processes and degradation of plant cover along the route of the new railway line for the purposes of compensation of the damage caused by the construction to the biological resources.

It should be noted that preparation of detailed design goes in parallel with on-going construction. This is being done due to extreme urgency of works on this project (Resolution of the President of Uzbekistan # 1985).

There remains the issue that the Draft EIA appears not to have been prepared by an independent party as required by WB for Category A projects. The Environmental Specialist on the Project Team is in the process of reviewing this document, and the RSA will also review it. Depending on the quality of the Draft EIA, it may be decided that an independent new or supplementary EIA should be prepared, or the Team might propose to seek Board approval to commission an external independent review of the document in lieu of requiring the Borrower to have a new document prepared independently. The options for addressing the WB requirement for 2 consultations will be discussed based on the decision on how to proceed with obtaining an EIA acceptable to the WB.

#### IV. APPROVALS

Task Team Leader:	Name: Jacques Bure	
<b><i>Approved By:</i></b>		
Regional Safeguards Coordinator:	Name: Agnes I. Kiss (RSA)	Date: 18-Dec-2014
Practice Manager/ Manager:	Name: Juan Gaviria (PMGR)	Date: 18-Dec-2014