

INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC12552

Date ISDS Prepared/Updated: 06-May-2015

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I. BASIC INFORMATION

A. Basic Project Data

Country:	Georgia	Project ID:	P149953
Project Name:	Secondary Road Asset Management Project (P149953)		
Task Team Leader(s):	Natalya Stankevich		
Estimated Appraisal Date:	21-Sep-2015	Estimated Board Date:	10-Dec-2015
Managing Unit:	GTIDR	Lending Instrument:	Investment Project Financing
Sector(s):	Public administration- Transportation (10%), Rural and Inter-Urban Roads and Highways (90%)		
Theme(s):	Public expenditure, financial management and procurement (10%), Managing for development results (10%), Regulation and competition policy (10%), Trade facilitation and market access (35%), Rural services and infrastructure (35%)		
Financing (In USD Million)			
Total Project Cost:	57.50	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source		Amount	
Borrower		7.50	
International Bank for Reconstruction and Development		50.00	
Total		57.50	
Environmental Category:	B - Partial Assessment		
Is this a Repeater project?	No		

B. Project Objectives

(i) to improve access to markets and services through the rehabilitation and sustainable maintenance of project secondary roads, and (ii) to progress towards maintenance sustainability of the secondary road network by using a sound road asset management system in planning and budgeting processes.

The project area is defined as Guria and two more (TBD) regions, which are the poorest in the country.

C. Project Description

The proposed Secondary Road Asset Management Project (SRAMP) is being designed as a results-based operation following the World Bank Guidelines. Under this approach, disbursement will be tied to the achievement of a set of disbursement-linked indicators (DLI) pertaining to components 1 and 2. These indicators will be scalable whenever possible to allow for the flexibility in disbursement to match implementation progress of the agreed annual plans whether faster or slower.

Three potential components have been identified for support under the proposed project:

Component 1: Road Asset Improvement and Preservation (Estimated Cost US\$35.7 million; IBRD share: US\$28.56 million). The objective of this component is to support the rehabilitation, improvement and maintenance of secondary road assets through innovative contracting methods: output- and performance-based rehabilitation (OPRC) and design-build (DB) contracts. This will be a DLI-based component, and financing will be linked to the accomplishment of the agreed DLIs. The following sub-components will be supported:

Sub-component 1.1: Preservation of Secondary Roads Assets (Estimated Cost US\$ 17.5 million; IBRD share: US\$14.0 million). This sub-component will support the scaling up of OPRC to Guria region. It will finance a single OPRC which will be a five-year contract with sufficient length of roads under rehabilitation in order to keep the private sector attracted. The contract is expected cover the rehabilitation (about 50-70 km) of several road sections and routine maintenance (about 200-220 km) of the same rehabilitated road sections and other road sections rehabilitated in the recent years. The OPRC will require the contractor to improve the rehabilitated road sections to the required levels of service, and provide routine maintenance to the same rehabilitated sections and other previously rehabilitated sections to meet the pre-defined levels of service for the duration of the contract. Payment will be based on achieving and maintaining specified levels of service and not on the completion of physical works.

Sub-component 1.2: Rehabilitation of Secondary Roads Assets. (Estimated Cost US\$ 16.5 million; IBRD share: US\$13.2 million). This sub-component will complement efforts of the Roads Department (RD) in further building the capacity of the local industry in performance-based contracting and preparing them for OPRC and other contracts with increased range of risks. This sub-component will finance the rehabilitation of about 50 km of secondary roads through DB contracts in other regions where DB or OPRC contracts have not been implemented. DB contracts will be of an 18-month duration. They will be packaged in a way to continue stimulating the growth of the local construction industry, strengthening its capacity in the management of performance-based contracts and further promote competition with international contractors. Improvement and rehabilitation works will be executed within the roads' existing horizontal alignment, with bridge and culvert repairs where appropriate. Candidate road sections for this type of contracts are yet to be identified in the Five-year Plan.

Sub-component 1.3: Supervision and Monitoring Services of Civil Works (Estimated Cost US\$1.7 million; IBRD share: US\$ US\$1.36 million). This sub-component will finance the monitoring and supervision services of OPRC and DB contracts. The primary role of the Monitoring Consultant will be to ensure that the pre-defined levels of service are complied with in both OPRC and DB contracts. The Consultant will also provide initial road safety audits of the designs and ensure that road safety

engineering countermeasures are incorporated in the design of capital works.

Component 2: Secondary Roads Asset Planning and Management (Estimated Cost US\$1.4 million, including US\$1.12 million). The objective of this component is to support institutional reforms aimed at enhancing RD's capacity in planning, budgeting, management, and monitoring for secondary roads network on a country level, not project level.

Sub-component 2.1: Planning and Budgeting for Secondary Roads Network (Estimated Cost US\$0.6 million; IBRD share: US\$0.48 million). The implementation of this sub-component will build on the ongoing activity targeting the development of Road Asset Management System (RAMS) under the Bank-supported Second Secondary and Local Roads Project (SLRP-II). This sub-component will enhance RD's capacity to collect and analyze road data, carry out road condition and traffic surveys and incorporate road accidents statistics (from the Ministry of Internal Affairs' Road accidents database) to collect input data for RAMS and inform RD's planning and budgeting processes. It will also support training of RD staff in the maintenance and management of the new RAMS and its use to prepare 5-year rolling and annual plans for investment and maintenance of secondary roads network. It will be a DLI-based sub-component, and financing will be linked to the accomplishment of the agreed DLIs.

Sub-component 2.2: Integrated Implementation of RD's new Road Safety Action Plan (Estimated Cost US\$0.5 million; IBRD share: US\$0.4 million). This sub-component will focus on supporting RD's its Road Safety Unit in implementing some activities from RD's new Road Safety Action Plan for 2016-2021, which is being developed under the ongoing Fourth East-West Highway (EWHIP-4). Priority will be given to (i) linking the road accidents database to RAMS to inform the planning process, (ii) development and introduction of trainings in certified road safety audits and inspections for the local consulting and construction industry to ensure the continuous application of road safety audits at the design stage, (iii) road safety awareness and education campaign in Guria region, and (iv) other road safety activities from the Action Plan that may require inter-agency coordination.

Sub-component 2.3: Monitoring of the Five-Year Plan (Estimated Cost US\$0.3 million; IBRD share: US\$0.24 million). This sub-component will aim to improve the capacity of RD in performance management and reporting to its stakeholders and road users on its progress in achieving target results of its Five-year Plan for the Investment and Maintenance of the Secondary Roads Network. The technical assistance to be implemented under this sub-component will help RD develop the methodology and indicators to monitor and assess its progress towards the accomplishment of its Five-Year Plan, and advise RD on how to improve its quality of service, efficiency, productivity and cost effectiveness in the delivery of this 5-year Plan. In addition, it will also support consultant services to provide independent integrated performance audit and verification of results (including DLIs) under this Plan. Integrated performance audit will verify the delivery of results (DLIs) and mainstreamed application of RAMS in planning, budgeting, road safety planning, and monitoring of the Five-Year Plan. It will also finance carrying out of road user satisfaction survey (baseline and follow-up studies) on all project roads under DB and OPRC contracts.

Component 3: Project Implementation and Monitoring Support (Estimated Cost US\$0.4 million; IBRD share: US\$0.32 million). This component will provide for the institutional support to the RD, Foreign Project Unit (FPU) and Transport Reform and Rehabilitation Centre (TRRC) for hiring consultants and a project manager for project implementation. FPU's Monitoring and Evaluation sub-unit will monitor the indicators pertaining to grievance registered under the project and actually

addressed, share of male drivers benefiting from the project road safety activities, and other project indicators.

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

The project will contribute to the implementation of the Government's Five-year rolling Plan for Investment and Maintenance of the Secondary Roads Network (2016-2021) and enhancement of the country's systems in secondary roads assets planning, budgeting, contracting and monitoring on a program level. The Five-year Plan is estimated to cover about 970 km of secondary roads, and is to be financed primarily from the State budget of Georgia with a minor (10 percent) contribution from the Bank's loan in the amount of US\$30 million over a five-year period. The project will finance the rehabilitation and maintenance of the selected roads within the existing horizontal alignment.

E. Borrowers Institutional Capacity for Safeguard Policies

Environment and Resettlement Division was created in RD through merging of the Environment Unit and the Resettlement Unit – each reporting to different Divisions – in April 2013. This institutional reform demonstrated the Government's recognition of the importance of safeguards issues in the roads infrastructure projects management and implementation.

The current Deputy Head of the Division has been involved in the management and implementation of social safeguards issues since 2007 and has very good knowledge and understanding of the Bank policies. He was responsible for the resettlement and land acquisition policies management, implementation of the relevant processes on the ground. However this Deputy Head has recently become unable to work at full scale due to personal reasons. The responsibilities and work program of the Deputy Head of the Resettlement Unit got equally distributed between the staff of RD's Resettlement Unit. Preparation of Resettlement Action Plans (RAPs) under the Bank-funded projects is usually contracted out by RD to private firms. Local consultants are being hired to implement RAPs while RD's staff remains in charge of monitoring their implementation.

The environmental safeguards are managed by an Environmental Protection Unit of RD's Resettlement and Environment Division. This Unit comprises of a chief and three staff members. Some staff received professional on-the-job training as part of the World Bank's technical assistance to RD and some have participated in the Bank-provided safeguards training for Borrowers.

Safeguards performance under one completed and two ongoing SLRPs supported by the Bank has been mostly satisfactory, periodically slipping to moderately satisfactory. The first project of SLPR series did not trigger OP/BP 4.12 but resettlement did occur at one of its sites that went without documenting. This glitch was spotted by the Bank team of the Borrower addressed the issue fully complying with the provided recommendations. Consequent SLRPs did trigger OP/BP 4.12, had PRFs in place and were/are implemented in compliance with the policy. Implementation of SLRPs has not caused tangible damage to the natural environment, however deficiencies in environmental performance did not go unnoticed and were pretty common: insufficient demarcation of work sites and placement of traffic warning signs, and faults in on-site and final disposal of construction waste. To the much extent these shortfalls may be attributed to the mediocre performance of the consultant serving RD for environmental supervision of SLRPs over years. Lesson learned from the implementation of numerous by RD is that maintaining critical in-house capacity for safeguards management within the Department is indispensable. While external consultants will continue providing project supervision services, including environmental and social monitoring, the Environmental and Resettlement Division of RD must retain qualified and capable staff for ensuring

quality control over consultants' work and for providing adequate follow-up on the information incoming from consultants. As long as technical assistance for capacity enhancement of RD is an important element of SRAMP, it was agreed to channel part of the available TA resources for providing on-the-job training and coaching for RD's environmental and social staff. Such training should be focused on the development of practical skills and extensively use the modality of learning by doing.

F. Environmental and Social Safeguards Specialists on the Team

Darejan Kapanadze (GENDR)

Jorge E. Villegas (GSURR)

Nino Metreveli (GSURR)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The project is not expected to have significant impact on the environment. All planned physical works are limited to rehabilitation and maintenance of the existing alignments. Overall long term social and environmental impacts will be positive, while negative impacts will be of minor scope and duration, and typical for any secondary road rehabilitation and maintenance activities. The project is therefore classified as environmental Category B.</p> <p>An Environmental and Social Management Framework (ESMF), currently used for the ongoing Third Secondary and Local Roads Project (SLRP III), will be updated for the purposes of the proposed Secondary Road Asset Management Project. ESMF will provide the overview of the expected environmental and social issues related to the project implementation and will offer comprehensive guidance on the site-specific environmental management planning to be carried out by the client using consultant services for all sections of roads to be proposed for the project intervention on the rolling basis. The use of an EMP Checklist for Small Scale Road Construction or Rehabilitation is proposed to facilitate site-specific environmental management planning under the project, unless a higher risk Category B subproject is identified through environmental screening. No Category A activities will be eligible for the project support.</p> <p>ESMF will be disclosed in-country and opened for public feedback prior to the project appraisal, while site-specific EMPs will be subjected to the similar</p>

		procedures and get finalized based on the received public feedback prior to commencement of works in each individual road section.
Natural Habitats OP/BP 4.04	Yes	OP/BP 4.04 is triggered as a precautionary measure, because the specific road sections to be covered by the project are not known upfront. Guidance on environmental mitigation in case of works being undertaken in proximity to protected areas or within sensitive/critical habitats will be provided in the ESMF and in site-specific EMPs once they are developed.
Forests OP/BP 4.36	No	Potential minor to medium scale impacts that some individual investments may have on forests is covered by triggering OP/BP 4.01 and 4.04.
Pest Management OP 4.09	No	Pesticides are not being used for controlling road-side vegetation anywhere in Georgia and this practice will not be applied for the roads covered by the project.
Physical Cultural Resources OP/BP 4.11	No	The project will support rehabilitation and maintenance of existing roads and therefore will not affect any known physical cultural resources. OP/BP 4.11 is therefore not triggered, while blueprint of action in case of chance finds during earth works will be provided in the ESMF and site-specific EMPs.
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	<p>The project will not finance new road construction and all civil works will be performed within the existing right-of-way. However, minor land acquisition may take place to provide adequate sidewalks and drainage, if required. There might as well be the case of seasonal street traders that will need to be addressed.</p> <p>Since the roads to be rehabilitated and maintained are not yet defined it is not possible at this stage to define the needs for land acquisition and resettlement.</p> <p>A Resettlement Policy Framework (RPF) will be developed prior to appraisal based on the existing RPF currently in use for the purposes of SLRP III. If relevant, the RPF will take into account any lessons learned during the implementation of the three previous SLRPs. Under each sub-project a feasibility study will be undertaken, that will include social</p>

		assessment and screening as part of EMP. If screening identifies the need for a RAP it will be prepared according to the elaborated and approved RPF.
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

III. SAFEGUARD PREPARATION PLAN

A. Tentative target date for preparing the PAD Stage ISDS: 31-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:

RD will update the ESMF and RPF currently used for the implementation of SLRP III, re-disclose them through RD's web page, open these documents for public feedback, and finalize in the manner satisfactory to the Bank before appraisal of the proposed Project. Site-specific EMPs and RAPs, as required, will be developed on a rolling basis, disclosed, discussed with the project affected stakeholders, and finalized on a rolling basis over the course of the project implementation. Works may not commence at any project site unless an EMP satisfactory to the Bank is developed, and RAP, if required, is prepared and implemented by the client.

IV. APPROVALS

Task Team Leader(s):	Name: Natalya Stankevich	
Approved By:		
Safeguards Advisor:	Name: Agnes I. Kiss (SA)	Date: 06-May-2015
Practice Manager/ Manager:	Name: Juan Gaviria (PMGR)	Date: 06-May-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.