

**INTEGRATED SAFEGUARDS DATA SHEET  
APPRAISAL STAGE**

**Report No.: ISDSA13259**

**Date ISDS Prepared/Updated:** 22-Oct-2015

**Date ISDS Approved/Disclosed:** 22-Oct-2015

**I. BASIC INFORMATION**

**1. Basic Project Data**

<b>Country:</b>	Georgia	<b>Project ID:</b>	P149953
<b>Project Name:</b>	Secondary Road Asset Management Project (P149953)		
<b>Task Team Leader(s):</b>	Natalya Stankevich		
<b>Estimated Appraisal Date:</b>	30-Nov-2015	<b>Estimated Board Date:</b>	24-Mar-2016
<b>Managing Unit:</b>	GTI03	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Public administration- Transportation (10%), Rural and Inter-Urban Roads and Highways (90%)		
<b>Theme(s):</b>	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%)		
<b>Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)?</b>			No
<b>Financing (In USD Million)</b>			
Total Project Cost:	60.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
<b>Financing Source</b>			<b>Amount</b>
Borrower			10.00
International Bank for Reconstruction and Development			50.00
Total			60.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Is this a Repeater project?</b>	No		

**2. Project Development Objective(s)**

The Project Development Objectives are (i) to improve road users' access to social services and markets on the project roads in a safe and sustainable manner, and (ii) to enhance road asset management for the secondary roads network in Georgia.

### 3. Project Description

The Project will contribute to the implementation of the Government's Program for Improvement and Preservation of the Secondary Road Assets (2016-2020) which is being drafted as Five-year Rolling Program. The Five-year Program is estimated to cover the rehabilitation and periodic maintenance of about 970 km of secondary roads and routine maintenance of the entire secondary road network, and is to be financed primarily from the GOG's budget with a minor contribution (around 13 percent) from the Bank's loan in the amount of US\$50 million over a five-year period.

Secondary Road Asset Management Project (SRAMP) comprises of the following three components:

Component 1: Road Asset Improvement and Preservation (Estimated Cost US\$58 million; IBRD financing: US\$48.1 million). The objective of this component is two-fold: (i) to support the improvement and preservation of secondary roads assets and (ii) further stimulate the growth of the local industry through innovative performance-based contracting methods: output- and performance-based rehabilitation (OPRC) and design-build (DB) contracts. This is a Disbursement Linked Indicator (DLI) based component, and its financing will be released upon the achievement of agreed DLIs. This support will consist of three sub-components:

(a) Sub-component 1.1: Improvement and Maintenance of Secondary Roads in Guria through OPRC (Estimated Cost US\$ 25.0 million; IBRD financing: US\$20.8 million). This sub-component will support the scaling up of OPRC to another region of the country (e.g., Guria, one of the poorest regions in the country). It will finance a single OPRC which will be a five-year contract with sufficient length of roads under rehabilitation in order to attract the private sector. The contract is expected to cover the rehabilitation and periodic maintenance of about 75 km of secondary road sections and routine maintenance of about 240 km of the same rehabilitated sections and other sections rehabilitated in the recent years. Payment will be based on achieving and maintaining specified levels of service and not on the completion of physical works.

(b) Sub-component 1.2: Rehabilitation and Improvement of Secondary Roads Assets through Design-Build Contracts (Estimated Cost US\$ 28.8 million; IBRD financing: US\$23.9 million). This sub-component will provide support to the implementation of RD's design-build program, which is estimated at US\$36 million for the period of 2016-2020. SRAMP will contribute 80 percent of the finances (equivalent to US\$25 million) to this sub-program; the remaining 20 percent will be provided by the State budget outside this Project's scope. This sub-program will finance the rehabilitation of about 120 km of several secondary roads, including about 90 km in three regions - Mtskheta-Mtianeti, Racha-Lechkhumi and Shida Kartli which will be financed through this Project. Improvement and rehabilitation works will be executed within the roads' existing horizontal alignment, with bridge and culvert repairs where appropriate. As some of the design-build sub-program roads are located in mountainous terrain, climate resilient standards to be developed under Component 2 will be adopted and incorporated in the respective Bidding Documents.

(c) Sub-component 1.3: Supervision and Monitoring Services of Civil Works (Estimated Cost US\$4.2 million; IBRD financing: US\$ US\$3.5 million). This sub-component will finance two separate contracts for the provision of the monitoring and supervision services of OPRC and DB contracts. The primary role of the Monitoring and Supervision Consultants will be to ensure that the pre-defined levels of service are complied with in both OPRC and Design-Build contracts. The Consultants 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. RD will take over the

OPRC monitoring role from the Monitoring Consultant in the last two years of the OPRC execution. Geotagging will be used to monitor and supervise the implementation of the OPRC and Design-Build contracts in order to increase transparency of contract management and ensure timely solution of any emerging quality or performance issues.

Component 2: Enhanced Secondary Road Assets Planning and Management (Estimated Cost US\$1.0 million; IBRD financing: US\$0.83 million). The objective of this component is to support institutional reforms aimed at integrating innovative management practices in RD's overall road assets management and enhancing RD's capacity in multi-year programming and annual planning for secondary road assets on a country level, not project level. It is a DLI-based component, and financing will be linked to the achievement of the agreed DLIs. This Component will build on a number of activities which are being implemented under the ongoing Bank-funded projects and involve (i) the development of RAMS under SLRP-II, (ii) improvement of RD's methodology for and the preparation of a five-year rolling program and annual plans for the secondary road assets, and (iii) piloting of International Road [Safety] Assessment Program (iRAP) under SLRP-III. This Component will support the following activities:

(a) Sub-component 2.1. Enhancement of RAMS and Improved Assets Programming and Planning (Estimated Cost US\$0.2 million; IBRD financing: US\$0.17 million). This sub-component will finance the Technical Assistance to support (i) enhancement of RAMS with the development of a bridge and tunnel management sub-system, and (ii) collection and maintenance of inventory and condition data on bridges, tunnels and other artificial structures on secondary roads to ensure that RD covers all assets on its secondary road network during its multi-year programming and annual planning. This Component will also monitor by the use of the relevant DLI that the Five-Year Rolling Program and annual plans are prepared by RD based on (i) the methodology which is to be soon revised and improved under the Third Secondary and Local Roads Project and (ii) annually collected data on traffic on the secondary roads, and condition of roads and artificial structures.

(b) Sub-component 2.2. Integrated Road Safety Management (Estimated Cost US\$0.2 million; IBRD financing: US\$0.17 million). This sub-component will finance (i) scaling up the use of Georgia Road [Safety] Assessment Program (GeoRAP) to Mtskheta-Mtianeti, Racha-Lechkhumi and Shida Kartli regions, (ii) implementation of GeoRAP's Safer Roads Investment Plans either through their integration into rehabilitation civil works contracts or stand-alone small-scale road safety works on roads which are not due for rehabilitation yet, and (iii) a road safety awareness and education campaign in Guria region with the involvement of a specialized NGO and enforcement (Traffic Police). The road safety campaign will target four groups of road users (vehicle occupants, pedestrians, cyclists, and motorcyclists) to improve their road safety behavior.

(c) Sub-component 2.3. Climate Resilience Technical Assistance (Estimated Cost US\$0.6 million; IBRD financing: US\$0.5 million). This sub-component will finance an assessment of vulnerability of the roads network to climate change (e.g., changes in precipitation patterns in Georgia), development of climate resilient standards for roads construction and maintenance, and provision of road weather information systems (RWIS). The location for the installation of RWIS will be determined by the vulnerability assessment exercise to ensure timely measurement and collection of real-time atmospheric, pavement, water level conditions, and visibility data on roads with the highest traffic volumes in mountainous regions. The climate resilient standards which will be developed will be integrated in the design-build contracts for roads in mountainous areas.

Component 3: Project Monitoring and Management Support (Estimated Cost US\$0.8 million; IBRD

financing: US\$0.7 million). Financing under this component is based on standard Bank IPF disbursement procedures. This component will finance project implementation support and the activity aimed at enhancing RD's performance management capacity.

(a) Sub-component 3.1: Project Management Support (Estimated Cost US\$0.3 million; IBRD financing: US\$0.25 million). This sub-component will provide institutional support to RD, including its Foreign Project Unit (FPU), and Transport Reform and Rehabilitation Centre (TRRC), which is in charge of financial management for RD, for hiring consultants, a project manager for project implementation.

(b) Sub-component 3.2: Project Audit Consultant (Estimated Cost US\$0.1 million; IBRD financing: US\$0.08 million). This sub-component will finance the services of a project audit consultant (PAC) to provide independent verification of the delivery of results (DLIs) and assessment of adequate use of the respective country's systems and World Bank's guidelines under this project.

(c) Sub-component 3.3: Monitoring of the Five-Year Rolling Program (Estimated Cost US \$0.4million; IBRD financing: US\$0.33 million). This sub-component will finance road user satisfaction surveys (RUSS) and impact evaluation studies (IE) on the sample OPRC and design-build roads to compare the results and impacts of the two different contracting methodologies on road users and beneficiaries. The methodologies for both RUSS and IE piloted under the Second Secondary and Local Roads Project will be used and adjusted for SRAMP.

#### **4. 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 Program for Improvement and Preservation of the Secondary Road Assets and enhance the country's systems in secondary roads assets multi-year programming, annual planning, budgeting, contracting, which are all country-wide activities.

#### **5. Environmental and Social Safeguards Specialists**

Darejan Kapanadze (GENDR)

Jorge E. Villegas (GSURR)

Nino Metreveli (GSURR)

<b>6. Safeguard Policies</b>	<b>Triggered?</b>	<b>Explanation (Optional)</b>
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) was prepared to guide environmental and social management of the Government's Plan for the Investment</p>

		and Maintenance of the Secondary Roads Network. ESMF provides the overview of the expected environmental and social issues related to the implementation of this plan and offers comprehensive guidance on the site-specific environmental management planning to be carried out by the client. ESMF serves the needs of the entire Five-year Plan of the Government and will be applied for activities financed from the proceeds of SRAMP. 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 that may require conduct of a more in-depth Environmental and Social Impact Assessment. No Category A activities will be eligible for the Project support.
Natural Habitats OP/BP 4.04	Yes	Individual sections of roads to be rehabilitated and/or maintained with the Project support may pass through the natural habitats or fragile ecosystems and be potential damaging for biodiversity. OP/BP 4.04 is therefore triggered. Site-specific environmental work required for preparing all individual investments will examine potential impacts on natural habitats and include required mitigation measures into the ESMPs.
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 ESMPs.
Indigenous Peoples OP/ BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	Yes	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>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) has been developed building on the existing RPF for the Third Secondary and Local Roads Project. The new RPF takes into account lessons learned during the implementation of the three previous SLRPs. Under each sub-project a feasibility study will be undertaken, that will include social assessment and screening as part of ESMP. If screening identifies the need for a RAP it will be prepared according to the elaborated and approved RPF.</p> <p>The RPF for SRAMP has been structured based on OP 4.12 and good international practices and, if the RD voluntarily decides so, it can also be used to guide non-Bank financed operations.</p>
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	

## II. Key Safeguard Policy Issues and Their Management

### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p> <p>SRAMP will finance the rehabilitation and maintenance of priority sections of the existing roads. The project is classified as environmental category B. Works to be undertaken in various locations will be similar in terms of applied technologies and scope. Their potential environmental risks and measures required for mitigation of these risks are also mostly common are well known upfront. An Environmental and Social Management Framework (ESMF) was developed to provide guiding principles for environmental and social management of the Government's Fine-Year Rolling Program for Improvement and Preservation of the Secondary Road Assets. A checklist for developing site-specific Environmental and Social Management Plants (ESMPs) for small scale road construction or rehabilitation will be used as a simplified tool applicable to individual investments. Rehabilitation of individual road sections may carry complex multiple and complex environmental and social implications not all of which are clearly understood upfront. Designs of such works will be subject to Environmental and Social Impact Assessment (ESIA) prior to the development of ESMPs. However bulk of rehabilitation and maintenance works to be supported by SRAMP are low risk activities to be undertaken on the existing roads in the current right-of-way, without tangible widening or re-routing of the carriageways. Most of these roads pass through significantly transformed landscapes, away from important habitats and biodiversity hotspots. Potential environmental issues associated with rehabilitation of these roads are expected</p>
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to be minor and typical for small-scale rehabilitation works on roads, mainly comprising: construction waste management, sourcing of natural construction materials (soil/gravel/sand), running of small asphalt/concrete plants, and maintaining/servicing of construction machinery. In rare cases road sections selected for the project support may pass through natural habitats or other highly sensitive ecosystems. Site-specific environmental work for such operations will include due assessment of the implied risks and mitigation measures will be included into the ESMPs.

The potential social impact that road works may entail in terms of resettlement is considered to be acceptably low to moderate, as the project will not finance new road construction and the civil works will be performed within the existing right-of-way. However, minor land acquisition may take place to provide adequate sidewalks and drainage for rehabilitation works. No physical displacement of occupants or restriction of access to resources or income streams is expected. As a guiding resettlement instrument, a Resettlement Policy Framework (RPF) has been developed based on the existing RPFs currently used by RD for the purposes of ongoing Secondary and Local Roads Projects. Site-specific Resettlement Action Plans (RAPs) will be prepared, as required, according to RPF.

**2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:**

The Project is expected to have positive long term social impacts while being neutral to the natural environment.

**3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.**

SRAMP is designed to support the Government's Program for Improvement and Preservation of the Secondary Road Assets, and therefore considering of alternatives of the Project design had not been feasible while developing this Project.

Selection of road sections for the project financing will include comparison of alternative options, and those roads rehabilitation of which do not imply significant environmental and social risks will be preferred over those with high potential negative impacts. No environmental Category A investments will be selected.

**4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.**

The Borrower developed ESMF and RPF for the purposes of implementing the Government's Five-year Rolling Program for Improvement and Preservation of Secondary Road Assets. These framework documents will be used for the purposes of SRAMP, which is designed to contribute to the implementation of the Government's Program. These documents provide detailed guidance for preparing site-specific safeguard documents, disclosing them, discussing with project affected people, and monitoring their implementation.

The RD is responsible for the application of environmental and social safeguards. Due environmental diligence of the RD will include assuring: (i) presence of satisfactory site-specific ESMPs for all sections of roads under rehabilitation; (ii) presence of the required permits for waste disposal, quarrying and borrowing, operation of asphalt/concrete plants, etc., as applicable; (iii) proper application of mitigation measures provided in the site-specific ESMPs in the course of works and upon their completion; and (iv) observance of occupational safety rules as well as safety of traffic and pedestrian movement in and around work sites. For meeting such standards, RD will exercise quality control of ESMPs, guarantee their inclusion in the bidding documents and

incorporation into the works contracts, and maintain efficient mechanism of field environmental monitoring of works.

Environmental performance under the ongoing Secondary and Local Roads Project being implemented by the RD is satisfactory. The RD has a specialized Resettlement and Environment Unit, with well-defined duties and responsibilities of staff members who are adequately skilled. No environmental damage has been caused by the implementation of works on secondary and local roads so far and the social impacts from these activities are positive. Quality of the monthly environmental supervision reports generated under current projects are marginally satisfactory, because while providing basic information on the environmental performance of works providers, they lack technical details and visual images of work sites that would allow to better understand situation on the ground.

Alike the arrangements for Secondary and Local Roads Projects, technical supervision of SRAMP may be contracted out by the RD. Quality of supervision will be of special importance under this Project, because release of Project funds under DLI-based components will be bound to the quality of services performed by OPRC contractors, including their environmental and social performance. RD will be expected to maintain adequate in-house capacity for providing quality control of the supervision consultant's work and for taking relevant and timely action on the issues reported by the consultant. In November of 2015, two representatives of the RD will attend an international course on resettlement in the Netherlands sponsored by the WB, IFC and EBRD.

**5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.**

As the Project will support rehabilitation and maintenance of secondary roads across the country, its key beneficiaries include road users, local businesses, and local municipalities. Central Government bodies - especially the MRDI and its RD - are the key stakeholders of the Project.

The RD disclosed the draft ESMF in Georgian and English languages, and held a public consultation meeting with relevant stakeholders. It was finalized, and re-disclosed in-country on August 12, 2015 and through the World Bank's electronic database on August 13, 2015. The final draft RPF in English was disclosed in-country and through the World Bank's InfoShop on October 22, 2015. The final draft RPF in Georgian is expected to be disclosed on October 29, 2015. Site-specific ESIA reports, ESMPs, and RAPs, as required, will undergo similar procedures once the designs are prepared for rehabilitation of individual roads. ESMPs will be included into tender documents and will be attached to works contracts. RAPs, as required, will be drafted, disclosed, consulted, approved by the Bank and implemented prior to commencement of works.

***B. Disclosure Requirements***

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	12-Aug-2015
Date of submission to InfoShop	13-Aug-2015
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	00000000



"In country" Disclosure	
Georgia	12-Aug-2015
<i>Comments:</i> Final draft ESMF was disclosed in-country in June 2015 and the public consultation meeting was held on July 14, 2015. Final version with attached minutes of consultation meeting was re-disclosed in August, 2015.	
<b>Resettlement Action Plan/Framework/Policy Process</b>	
Date of receipt by the Bank	22-Oct-2015
Date of submission to InfoShop	22-Oct-2015
"In country" Disclosure	
Georgia	22-Oct-2015
<i>Comments:</i> Final draft RPF in English was disclosed on October 22, 2015; the final draft RPF in Georgian is to be disclosed on October 29, 2015.	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

### ***C. Compliance Monitoring Indicators at the Corporate Level***

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>OP/BP 4.04 - Natural Habitats</b>	
Would the project result in any significant conversion or degradation of critical natural habitats?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If the project would result in significant conversion or degradation of other (non-critical) natural habitats, does the project include mitigation measures acceptable to the Bank?	Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input checked="" type="checkbox"/> ]
<b>OP/BP 4.12 - Involuntary Resettlement</b>	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Is physical displacement/relocation expected?	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] TBD [ <input type="checkbox"/> ]
Provided estimated number of people to be affected	

Is economic displacement expected? (loss of assets or access to assets that leads to loss of income sources or other means of livelihoods)	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ] TBD [ <input type="checkbox"/> ]
Provided estimated number of people to be affected	
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ] NA [ <input type="checkbox"/> ]

### III. APPROVALS

Task Team Leader(s):	Name: Natalya Stankevich	
<b><i>Approved By</i></b>		
Practice Manager/ Manager:	Name: Juan Gaviria (PMGR)	Date: 22-Oct-2015