

Environmental and Social Data Sheet

Overview

Project Name:	E-70 GRIGOLETI – KOBULETI BYPASS
Project Number:	20170286
Country:	Georgia
Project Description:	The project consists of mostly new construction of 14.2 km of 2x2 highway on a new alignment between Grigoleti and Kobuleti Bypass in western Georgia. This is the first sub-project under the Georgia Transport Connectivity (GTC) Framework Loan (2016-0404)
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section:	“EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

Environmental Assessment

The project involves the mostly greenfield construction of 14.2 km of 2x2 asphalt concrete highway along the western end of the East West Corridor in Georgia. If the project was located in the EU it would fall under Annex I of the EIA Directive 2011/92/EU. An Environment Impact Assessment (EIA) was completed and submitted to the Bank in 2017. Although a Strategic Environmental Assessment (SEA) has not been done the Promoter with the assistance of the World Bank (WB) has undertaken a major Feasibility Study on the entire east west corridor. This study included most of the elements normally found in an SEA. In addition there was a public consultation with stakeholders, including the International Financing Institutions (IFIs), and in-line with the usual requirements of an SEA. Environmental and building permits are outstanding and will be the subject of disbursement conditions.

Three alternatives were examined for the project:

- Alternative 1 starts at Samtredia – Grigoleti road and follows existing road then crosses the Supsa River and runs between supsa oil terminal and residential buildings and connects with the interchange at start of Kobuleti bypass.
- Alternative 2 starts at Samtredia – Grigoleti then follows existing road then an interchange is planned. The route then crosses the Supsa River and bypasses the supsa oil terminal area and crosses the E70 highway.
- Alternative 3 starts at Samtredia – Grigoleti road and follows existing road. An interchange is planned then it crosses Supsa River bypasses supsa oil terminal passes near to black sea area and joins the Kobuleti bypass.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

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Further to a comparison of impacts of each alternative and ranking, alternative 1 has the lowest environmental and social impacts and was selected. Selected Alternative 1 has 3.75m lanes and 26.5m carriageway width. Several quarries are located near to the site, with some 26 identified. Noise, radiation and emissions levels are fine.

The Competent Authority (Ministry of Environment and Natural Resources Protection (MENRP), Georgia) will be required to issue an environmental decision stating whether in their opinion, the schemes will have an impact on the protected areas. Demonstrating compliance is a condition for disbursement against the project. The Bank will be requiring that the Competent Authority provide signed declarations (Forms A/B) as a condition for disbursement against the project.

Although the scheme will have some negative impacts during construction, these have been assessed and adequate mitigation and management measures, have been identified in consultation with relevant stakeholders and included in the final designs. Longer term negative impacts include visual, impact on landscape- flora/fauna , habitats, emissions, noise and vibration, accidents, soil and ground water pollution, and borrow pits. The procedures followed by the Promoter are satisfactory and the project is acceptable for Bank financing with conditions.

The project is expected to have positive impacts for the environment along the existing route and along the roads from which traffic will divert. Communities adjacent to the old route will benefit by way of improved safety, reduced noise, vibration, local pollution, and reduced vehicle operating costs. The noise levels along the route and in the area of influence are not expected to exceed local thresholds and so few mitigation measures are planned. In addition radiation levels were checked routinely and are not exceeded.

The Competent authority for environmental matters is the Ministry of Environment and Natural Resources Protection (MENRP). If the project was in the EU it would be required to comply with the Habitats Directive (92/43/EEC) and the Birds Directive (79/409/EEC). The EIA for this sub-project was done in line with the EU Directives. The Poti-Kobuleti bypass area includes protected areas nearby including Kolkheti wetlands (Ramsar site) protected by Kolkheti National Park and Kolkheti National Reserve, and contains main migratory routes for African and Eurasian water fowls and waders plus 194 bird species including 21 species of migratory birds. Several red list species are present in the protected areas including yellow poppy, water lily, colchis oak, and Caucasian wingnut. The scheme is located some 1.4km from the southern edge of this Kolkheti protected area. Wetlands are also in the project vicinity of the Rioni river basins and low lying areas. The Competent Authority will be required to issue an environmental decision stating whether in their opinion, the schemes will have an impact on the protected areas. Demonstrating compliance is a condition for disbursement against this project. The Bank will be requiring that the Competent Authority provide signed declarations (Forms A/B) as a condition for disbursement against this project.

Climate adaptation measures were examined in the EIA and the scenario adopted was temperatures to year 2050 expected to increase by a max of 4 degrees. Sea water levels are not expected to rise significantly however drainage works have been strengthened to offset these changes.

Costs attributed to climate action were estimated at 1% of the overall cost.

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Social Assessment

The main adverse social impact is related to involuntary resettlement. The project entails the acquisition of about 451 properties, 414 of them held by private owners. Most of the land is agricultural land, but there will also be 4 residential houses directly affected by the project.

A draft Resettlement Action Plan (RAP) has been prepared. Right to compensation will be granted to all Project Affected Persons (PAPs) in accordance with the national legislation and EIB Standards. The final RAP shall be consulted with the different stakeholders and then implemented in a manner consistent with the handover of site to works contractors.

In addition the project has the potential to affect local vendors located along the old route who may be affected when traffic diverts to the new/project route. Prior to construction compensation will be determined for the expected loss of crops, agricultural land, business and property resulting from land take.

Public Consultation and Stakeholder Engagement

Meetings and consultations with local community representatives were carried out between August and December 2016. The main issues related to severance, noise and dust impact during construction, possible employment, land compensation and impact on protected areas. Public consultation hearings to discuss the ESIA report and RAP which stakeholders, NGOs, local administration and community officials are planned. Feedback from stakeholders will be considered and incorporated in the final version of the ESIA report.

Other Environmental and Social Aspects

A draft Environmental Management and monitoring Plan has been included in the ESIA and submitted to the Bank. The Contractor will be required to submit the final version as a disbursement condition.

Conclusions and Recommendations

Prior to disbursement against this sub-project, the disbursement conditions and undertakings agreed under Georgia Transport Connectivity Framework Loan will need to have been met.

As allowed under GTC Framework Loan, the following further specific conditions and undertakings shall apply for this sub-project:

Before first disbursement

- (a) Evidence, in a form satisfactory to the Bank, that the sub-project has a status of maturity in its approvals (including but not limited to ESIA, LARP), land expropriation and acceptance from local communities compatible with the estimated date of completion of civil works.
- (b) A copy of the environmental impact assessment ("EIA"), the non-technical summary, the environmental impact study, evidence of the public consultation and a copy of the relevant part of the final development permit demonstrating the incorporation of the EIA, its mitigation measures and the public consultation.

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- (c) Evidence that the Borrower has all funds necessary to acquire any land required for the implementation of the sub-project.
- (d) Confirmation that at least 50% of the land is available to contractor as per approved LARP

Undertakings

- Implement the project in compliance with Environmental and Social Standards.
- Prepare to the satisfaction of the Bank and undertake to implement and adhere to the Environmental Management Plan and commit to report to the Bank about:
- present mid and end of term evaluation of RAP(s) implementation prepared by a third part

Subject to the above mentioned environmental and social conditions being met, the project is acceptable for EIB financing in environmental and social terms.

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