

Environmental and Social Data Sheet

Overview

Project Name:	E-60 UBISA - SHORAPANI SECTION F3
Project Number:	20170287
Country:	Georgia
Project Description:	The project consists of the construction of approximately 13 km of dual two-lane highway on a new alignment between E60 Ubisa and Shorapani (F3 section between Khevi to Argeveti) in Georgia. The project is part of overall development of E60, Georgia East-West Highway (GEWH)
EIA required:	Yes
Project included in Carbon Footprint Exercise ¹ :	No

Environmental and Social Assessment

Environmental Assessment

The project consists of the construction of approximately 13 km of dual two-lane highway on a new alignment between E60 Ubisa and Shorapani (F3 section between Khevi to Argeveti) in Georgia. The project is part of overall development of E60, Georgia East-West Highway (GEWH). Although a Strategic Environmental Assessment (SEA) has not been done, the Roads Department (RD) carried out a feasibility study financed under a World Bank project for the Zemo Osiauri to Argveta section (comprising five sections F0, F1, F2, F3 and F4) of approximately 81 km in 2015. This study included most of the elements normally found in an SEA. The detailed design of Section F2, F3 and F4 has been completed using Asian Development Bank (ADB) financing and procurement is on-going.

If located in the EU, the Project, consisting in the construction of a green-field dual two-lane highway longer than 10km would fall under Annex I of the EIA Directive 2011/92/EU and therefore require a full EIA including public consultations.

In Georgia, the project falls under the Category A (EIA) procedure as stipulated by the Environmental Georgian Code under Georgian law. Georgian laws and procedures encompasses in substance the principles of the relevant EU Directives, such as the EIA Directive 2011/92/EU and SEA Directive 2003/35/EC.

An Environmental and Social Impact Statement (EIA) Report for this sub-project (F3) has been developed, including public consultations and accompanying management plans of a Land Acquisition and Resettlement Action Plan (LARP), Stakeholder Engagement Plan (SEP) and an Environmental and Social Management Plan (ESMP). Approval of the EIA by the Ministry of Environment Protection and Agriculture (MoEPA) will be required before the start of works. It is envisaged that the approval from the Competent Authority will be received by end of June 2018 prior to EIB board approval. However, EIA approval including Environmental and building permits will be the subject of disbursement conditions.

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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Environmental Legislation

The Competent Authority (Ministry of Environment Protection and Agriculture (MoEPA)) will be required to issue an environmental decision stating whether in their opinion, the project 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.

The Ministry of Economy and Sustainable Development (MoESD) is responsible for carrying out the review of technical documentation (including conclusion of independent experts) and issuing Permits on Construction for projects, as well as for supervision over constructing activities and for arranging Acceptance Commission after completion of construction.

The Roads Department of the Ministry of Regional Development and Infrastructure (RD) is responsible for the procurement of design and EIA studies, as well as works on construction and rehabilitation of roads and is responsible for ensuring compliance with the Georgian legislation and environmental and social requirements of the relevant donor organizations

The Ministry of Culture, Monument Protection and Sports will have responsibility on supervision of the construction activities in order to protect archaeological heritage

Environmental Impact

During the Project feasibility phase a number of alignments were considered that broadly followed the existing E-60 corridor. The result of the feasibility report was a draft final corridor, which the detailed design used as a basis for the final road alignment (horizontal and vertical). During the detailed design, a number of factors were taken into account to determine the final alignment; they included the consideration of potential resettlement issues and social aspects such as access and noise.

Five alternative routes were examined for this sub-project. These alternatives were assessed based on a multi-criteria analysis approach (MCA) from an environmental perspective, including impacts on landscape, air quality, noise, biological diversity and ecological integrity. Four of these alternatives were discarded due to significant negative impacts on environment and social. However, the proposed alignment, which is mostly in the greenfield, carry the least impact on both environment and social.

The project goes through a new alignment, while it is expected to have minimal negative, it is also expected to have positive impacts for the environment along the existing route and along the roads from which traffic will divert. The Communities adjacent to the old route is expected to 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. The EIA has established that the cumulative effect of old and the new road has no significant environmental issues that cannot be either totally prevented or adequately mitigated to levels acceptable Government of Georgia and international standards for Project activities.

Bio-diversity

As part of the EIA, RD carried out a two stage Bio-diversity study, firstly existing data were collected and analysed in the form of a 'desk-top' study'. This was then followed up with field surveys. Site Specific Environmental Management Plan (SEMP) will include specific mitigation plans for Biodiversity Management.

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Site clearance carried out for the Project is expected to result in loss of habitat that is presently being used by wildlife. It is estimated that approximately 33 hectares can be classified as natural habitat within the Project buffer – all of the land in this area will be cleared for construction works. Almost all of these areas comprise State Forest Fund area that will be de-listed as per the national requirements outlined in this report. The nearest protected area in the region is the Borjomi Nature Reserve which is located more than 15 kilometers south of the Project road. The nearest Important Bird Area (IBA) to the Project road is the Adjara-Imereti Ridge more than twenty kilometers south of the Project road, which overlaps, with the Borjomi Nature Reserve.

Specific mitigation measures have been prepared for International Union for Conservation of Nature (IUCN) and Georgian Red-list species identified as part of this report. In addition, a range of general mitigation measures have been prepared to limit impacts to fauna such as:

- Appointed contractor shall identify through a site survey if any Georgian Red-Listed tree species are located within 5 metres of the site boundary, re-vegetation, and restoration management for general tree protection;
- Plant maintenance will be carried out for at least two years in the plantation areas;
- Hunting and poaching should be prevented to protect species of conservation importance and minimize loss of wildlife, which will already be undergoing habitat loss due to the Project;
- The Contractor shall consult with the MoEPA to determine when works in rivers should be suspended in order to limit impacts to fish spawning periods.

Climate change

Climate adaptation measures were examined in the EIA and high risk areas were identified as landslides, flooding and snow loading. Accordingly, it has been assumed by the studies for the purpose of planning that average annual temperatures are expected to increase by 1.3°–1.6°C by 2050 and 3°–4°C toward 2100. Precipitation projections include a general increase of 5% up to 2050, followed by a drastic decline of up to 24% by 2100. In the project area, however, it is expected that precipitation decrease will occur much faster. By 2050, annual mean precipitation is expected to decrease by 4.5%, and by 2100 a decrease close to 13% is expected.

The increase in temperatures is expected to be accompanied by an increase in the number of hot days (days where the average daily temperature is higher than 25°C). These changes will lead to increased risk of flash floods, mudflows and landslides. In the project area, the risk of erosion processes, floods and landslides is expected to increase.

Specific climate change adaptation measures were included in the design for tunnels, bridges and drainage arrangements to cater for climate change. Costs attributed to climate action were estimated at 3.4% of the overall cost.

Social Assessment

The Project road is located within Zestaphoni and Kharagauli Municipalities, which covers a total area of 423 km². The proposed road section will affect 195 land plots out of which eleven are in state ownership, and 187 are in private ownership.

Type of land	Number of land plots
Agricultural	140
Residential area	27
Non-agricultural	28

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Social impacts during construction and operation include, among others, involuntary economic and physical resettlement, accident risks to communities from construction-related traffic and disruptions to normal traffic patterns, generation of temporary employment during construction and beneficial impacts to local economy.

The project will result in demolishing of 115 buildings out of which 19 are residential, 75 are auxiliary and 21 are commercial / industrial structures. The project will affect eight business facilities out of which there are one restaurant, two shops, one bread bakery, two gas stations and one pharmacy. The project also affects the Ceramic / Clay article traders at Shrosha. Shrosha ceramics and pottery market is an important stop on the tourist trail in Imereti. As part of the project, a new roadside market area will be constructed to enable the existing pottery and ceramics traders at Shrosha (the majority of whom are women) to move their market stalls to the new road.

Mitigation measures are included in the design for minor impacts and this will be monitored during the operation period by the Roads Department. Specific noise mitigation measures include construction of approximately 2400 meters of noise barrier along the project route and Routine noise monitoring on an annual basis.

The project is expected to have an impact on six vulnerable families with 22 members. The resettlement policy for the project has been designed to (a) cover all Affected Person's irrespective of their title to land, (b) provide replacement cost compensation for lost assets, and (c) restore or enhance the livelihoods of all categories of APs. The households/persons affected by the project interventions will receive cash compensation for land and other assets at full replacement cost as per market price at the time of dispossession.

Public Consultation and Stakeholder Engagement

This project falls under category A EIA that requires two rounds of consultations. A scoping consultation was carried out in June 2017 in Boriti to provide an overview of the project. Participants included local municipalities and public.

A second round of consultations was held in Kharagauli in February 2018. Participants in the consultations were presented with the initial findings of the draft EIA. Several issues were raised by the public including preservation of cultural heritage area, risk of losing access, impact on trees, risk of blasting works affecting the properties and waste disposal esp. material removed from the tunnels. All these relevant concerns were addressed in the EIA.

Other Environmental and Social Aspects

An Environmental Management and Monitoring Plan (EMMP) has been included in the EIA and submitted to the Bank. EMMP will be finalised with the approval from the competent authority. The Contractor will be required to submit the Site EMP prepare outlining how he intends to implement the EMP and ensure that all of the mitigation and monitoring is completed according to the implementation arrangements specified in this EMP and the EIA as a whole.

Conclusions and Recommendations

The project is expected to have limited negative environmental impacts during construction and operation. The residual impact after compensatory and mitigating measures is expected to be limited and is adequately addressed in the project's management plans including the Environmental Impact Assessment (EIA) and Land Acquisition and Resettlement Plan



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(LARP). Subject to the fulfilment of the below-mentioned conditions, the project is acceptable for EIB financing in E&S terms.

Both EIA and LARP are likely to be approved by the Competent Authority by end of June 2018.

Prior to disbursement against this sub-project, the disbursement conditions and undertakings agreed under Georgia Transport Connectivity (GTC) Framework Loan will need to have been met. As anticipated under GTC Framework Loan, the following further specific conditions and undertakings shall apply for this sub-project:

Before first disbursement:

- (a) Confirmation that at least 50% of the land is available to contractor as per approved LARP

Undertakings

- Ensure that a third part evaluation of the RAP (s) implementation will be undertaken at the start, mid-term and end of implementation.