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INTEGRATED SAFEGUARDS DATASHEET
APPRAISAL STAGE

I. Basic Information

Date prepared/updated: 07/17/2008 Report No.: AC3604

1. Basic Project Data

Country: Kazakhstan	Project ID: P099270
Project Name: SOUTH-WEST CORRIDOR ROAD PROJECT	
Task Team Leader: Henry G. R. Kerali	
Estimated Appraisal Date: June 24, 2008	Estimated Board Date: November 20, 2008
Managing Unit: ECSSD	Lending Instrument: Adaptable Program Loan
Sector: Roads and highways (100%)	
Theme: Regional integration (P);Trade facilitation and market access (S);Other rural development (S)	
IBRD Amount (US$m.): 848.00 IDA Amount (US$m.): 0.00 GEF Amount (US$m.): 0.00 PCF Amount (US$m.): 0.00 Other financing amounts by source: Borrower 149.00 149.00	
Environmental Category: B - Partial Assessment	
Simplified Processing Simple [] Repeater []	
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes [ ] No [X]

2. Project Objectives

The overall goal of the of the Government's western Europe to western China corridor development program is to improve transport efficiency and safety, and promote development along one of Kazakhstan's main strategic road transport corridors. Transport efficiency will be improved through provision of better infrastructure and services along the entire corridor to reduce transport costs, and through gradual reform of the entities responsible for all categories of roads. The Bank would finance the South West Corridor (SWC) from Shymkent to Aktobe Oblast as an Adaptable Program Loan (APL) comprising three phases that are designed to take into account the pace of institutional reforms, the readiness for implementation, and the capacity of the Committee for Roads (the Committee).

The development objective for Phase-I of the proposed Program (this project) is to increase transport efficiency along the South West Corridor between Kyzylorda to Aktobe Oblast border, and initiate reforms to improve road management and traffic safety in Kazakhstan. The aim is to support local and regional socio-economic development. Benefits will include transport efficiency gains and traffic safety improvement.

The main beneficiaries will be domestic and regional businesses and traders, as well as local populations living along the road corridor. Kazakhstan has a higher population density in the southern sections of the road, with traffic volumes which are relatively high, approximately 10,000 vehicles per day (vpd) close to Shymkent city, mainly due to local commuting. Traffic volumes decrease further north with the majority of traffic comprising trucks transporting goods (around 500 vpd North from Aral). The government expects ribbon development to be attracted along the corridor as a result of the project intervention. However, this will require incentives to attract private sector investments to be integrated within the overall South West Corridor development program.

3. Project Description

The project will finance major upgrade of road infrastructure along one portion of the corridor, from Kyzylorda to the border with Aktobe Oblast. The project will also assist the government to prepare a road safety and road service action plan. The project would serve local travel as well as international transportation of general cargo and other goods produced locally and in the region (Tajikistan, the Kyrgyz Republic and Uzbekistan). Institutional measures would include the introduction of an efficient road management system incorporating modern methods for planning and executing road maintenance, and strengthening the capacity of the Committee to efficiently implement all investments. The preliminary design prepared by the Ministry of Transport and Communication (MOTC) envisaged the widening of the road and the construction of bypasses around some of the towns currently traversed by the road. The feasibility studies financed by the government, which include an EIA and EMP, were completed in December 2007.

Following preliminary discussions with the MOTC, it is envisaged that the road sections to be co-financed by the Bank would be divided into three separate phases:

- Phase 1: rehabilitation of the carriageway between Aktobe/Kyzylorda Oblast border to Kyzylorda (approx 564km). This road section would be implemented first as it is currently in very poor condition and presents a major obstacle to efficient transport. The works will consist mainly of reconstruction along the existing alignment and about 6 comparatively short bypasses around roadside towns. Preliminary designs already exist and will be updated once the detailed designs are completed. This phase also includes studies to review options for institutional reforms in the roads sector, implementation of new road construction and maintenance concessions, the preparation of a road safety improvement action plan, and the preparation of a road services action plan. The objective would be to have this first Bank-financed project approved ahead of the preparation of the 2009 Budget so that the road works can start in early 2009.

- Phase 2 and 3: These will upgrade other sections of the same road corridor southwards from from Kyzylorda to Turkestan (approx 275 km), and from Turkestan to Shymkent (approx. 186 km), respectively. These road sections are also expected to require mainly reconstruction along the existing road alignment, but will also entail significant bypasses around Kyzylorda. In addition, MOTC is considering widening these sections to a dual carriageway. The final decision regarding the construction of four lane

sections will be made in the course of further and more detailed preparation. In any case it is expected that these sections will be classified as environment category "A" and thus a full Environmental Impact Assessment (EIA) will be required. Moreover, land acquisition may also be necessary.

The proposed lending instrument would be an Adaptable Program Loan (APL) that will indicate the overall Program loan amount as well as the individual loan amounts for each Program phase (as above). The current project deals only with Phase 1, which would comprise the following components:

(a) Component 1: Civil works to upgrade road sections from Aktobe Oblast border to north of Kyzylorda. This will include consultant services for supervision of the civil works. It is planned that around 8 civil works contracts will be awarded ranging in value between US$ 110 – 130 million. Details of this will be included in the procurement plan.
(b) Component 2: Project Management Consultants. It is anticipated that the PMC will comprise 4–5 international staff and 18–20 national staff to support theCommittee with the management of all contracts to be financed under all phases of the Program by all IFIs.
(c) Component 3: Institution Development. The following activities will be incorporated under the component: Training to enhance capacity in procurement and financial management; Development of local design institutes, universities and consultants to enhance road design, harmonize standards (e.g., Superpave), and promote technical innovations; and Implementation of a customized road management system
(d) Component 4: Road safety improvements and provision of services along the corridor. Design of a road safety action plan following recommendations from the Road Safety Capacity Review that is financed by the Global Road Safety Facility, and design of a services delivery action plan along the SWC corridor.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

The Bank financed activities will allow the upgrade of an existing road alignment of up to 1,025 km length in SW Kazakhstan, termed the South West Corridor (SWC), which requires rehabilitation and/or upgrade. The road section to be financed from the current first project lies between the city of Kyzylorda and the border with Aktobe Oblast on its north-west end. The alignment covers approximately 564 km and spans the large Kyzylorda Oblast (administrative district). It reaches from just north of the bustling and growing district capital Kyzylorda northwards, where the density of population and traffic decrease significantly to very low values, with most of the traffic relating to transit of cargo. The right of way (ROW) for the road provides for buffer zones of about 30 meters width on either side of the road, which are commonly not built up or used for agricultural purposes. The description of the alignment is presented below:

The road section was constructed in 1970 and since 1990 there was no investment. The condition of the pavement is poor. The railway line is running in parallel to the road in most of the locations and therefore it could provide a solution for haulage of materials. The issue of bringing suitable material on the construction site will be critical. Although

there is evidence that the existing infrastructure was built using locally available materials, their use is questionable. At least six bridges need reconstruction; most are rather small (20 to 30 meters), one is about 120 meters long. In some areas the road crosses moving sand dunes and the rehabilitation design will have to take this into consideration.

The environmental conditions for the project are characterized by arid climate, sparse vegetation, few year-round surface water courses and large areas with naturally hyper-saline soils. Saksaul forests, which are adapted to dry, saline conditions with extreme temperature differences, play an important role in soil stabilization and erosion control. The landscape is very arid, barren, hardly vegetated and prone to wind erosion, dust generation, moving sand dunes. Surface drainage exists mainly seasonally, when flash floods can occur and draining waters can have a high erosion potential. The landscape has a very soft relief with wide valleys and basins, separated by slightly elevated plateaus. Land use is restricted to animal grazing in the natural environment (mainly camels, sheep, goats, some cattle), but with low intensity. Permanent settlements are extremely sparse.

Land acquisition related to the project location and current planning stage is likely to be managed as follows: In most sections, the road can be reconstructed and even widened within the existing right-of-way, thus requiring no land acquisition. New service centers will be established at strategic locations, and some existing centers will be upgraded. This may require some land acquisition, but the remoteness of the locations will assure minimal impact, if any, as they are expected to be located where there is limited grazing or no active use of the land.

The planned by-passes may require land acquisition (although most land is likely to be government property), but are not expected to cause relocation, as they will traverse uninhabited land only. Additional land may be required for temporary use during construction, for which private owners will be compensated and the land returned to its original condition after use. There is no evidence of illegal or temporary occupation or use of land along the roadway or within the right-of-way and therefore the project does not envisage the removal of unauthorized structures from the right-of-way in carrying out the rehabilitation works.

The client has prepared a Resettlement/Land Acquisition Policy Framework prior to Appraisal, which was reviewed and accepted by the Bank. It provides detailed information about procedures and standards set in Kazakhstan for the acquisition of private land and rights-of-way and identifies any additional provisions that will be undertaken to assure compliance with OP 4.12. The Policy Framework also describes the format and timing of the submission of additional, site-specific data and Land Acquisition and Resettlement and Plans during detailed design and afterwards.

5. Environmental and Social Safeguards Specialists

Mr Norval Stanley Peabody (ECSSD)
Mr Wolfhart Pohl (ECSSD)

6. Safeguard Policies Triggered	Yes	No
Environmental Assessment (OP/BP 4.01)	X	
Natural Habitats (OP/BP 4.04)		X
Forests (OP/BP 4.36)		X
Pest Management (OP 4.09)		X
Physical Cultural Resources (OP/BP 4.11)		X
Indigenous Peoples (OP/BP 4.10)		X
Involuntary Resettlement (OP/BP 4.12)	X	
Safety of Dams (OP/BP 4.37)		X
Projects on International Waterways (OP/BP 7.50)		X
Projects in Disputed Areas (OP/BP 7.60)		X

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: Environmental Assessment: Generally a safeguards categorization of "B" is proposed for the existing road sections earmarked for rehabilitation/reconstruction as well as for the bypasses. The rationale is that the major part of construction works will be confined to the existing ROW. The corridor of the ROW is generously dimensioned, thus no significant / major impact on local population's health, safety or quality of life is expected.

The bypasses are not affecting sensitive habitats or protected areas. During two separate missions with walk-over surveys conducted by the Bank team it was verified that the impacts by the construction of the bypasses will be minor, localized, and manageable with readily available standard mitigation measures. The impact of the works on soils and vegetation is expected to be minimal, if managed diligently. Rehabilitated road sections show natural re-vegetation only 2-3 years after works, despite the arid climatic conditions. The extraction of fill and aggregate materials will be restricted to non-river sources in the project area. The project will mostly rely on sand quarried from borrow pits along the road alignment, which may be reinforced with geotextile or lime addition. Extraction procedures are well regulated under Kazakh environmental laws, rehabilitation is compulsory and noncompliance is prosecuted.

As this project is categorized "B" it requires the elaboration of a simplified EA only, as well as of EMPs and MPs for the construction and operation phases. These documents have been produced by the borrower and are available in a level of detail corresponding to the current planning stage, which is a feasibility study.

Involuntary Resettlement: The project will require some land acquisition, primarily for by-passes and service centers, but it is not expected to require the relocation of people or evacuation of land that is used temporarily or illegally. The project does not envisage the removal of unauthorized structures from the right-of-way in carrying out the maintenance

works. The client has prepared a Resettlement/Land Acquisition Policy Framework, acceptable to the Bank, and then provide additional data regarding land requirements as they are identified during preparation of the final design.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
An increased amount of traffic (which is desirable from the economic perspective) is expected to result in higher emissions of exhaust gases and noise. The EA addresses and investigates the impact of this issue and for gaseous emissions concludes that the limits set by Kazakh standards will continue to be respected. Regarding noise the EA presents a number of mitigation and management measures, such as buffer zones, sound barriers, tree plantations and, most effectively, the re-routing of the alignment around settlements via bypasses.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
The bulk of the project location is defined by the existing alignment, which will largely remain unchanged and will be rehabilitated and reconstructed. New alignments sections, notable the bypasses around villages, were selected from a number of design options based on (i) minimizing negative impacts and nuisance for local population, (ii) avoiding any significant negative environmental impacts.

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.
Four main institutional entities were identified as relevant to country based environmental and social safeguards during a June 2007 identification mission. Those entities are responsible for the following: (i) environment; (ii) water resources; (iii) forestry and hunting; and (iv) land management. For each institution, the Bank mission assessed their roles, their responsibilities and capacity for the implementation of safeguards policies and regulations:

Construction works are supervised by MoEP and its subordinate agencies. Local units of the Ministry for Environmental Protection (MoEP), Environmental Expertise and Nature Use Regulation Department (EENUR) are structured into thematic groups, which at Oblast level include among others (i) environmental expertise, (ii) permitting, (iii) supervision and monitoring, (iv) environmental laboratories. At the Rayon level each of these thematic units is represented by one inspector.

Routine operations are usually inspected once per year and carried out by MoEP staff and/or Oblast and Rayon representatives. During construction works Oblast and Rayon level EPAs monitor the sites and play a key role in commissioning the finalized project, thereby checking environmental compliance with design and final implementation of all required environmental restoration and recultivation measures. The EPAs usually liaise with the project developers, the contractor’s environmental staff and the unit on site, which is a mandatory requirement (called "production control" under the Kazakh legislation).

The EIA process in Kazakhstan is laid down in the environmental code and a set of detailed implementation instructions (Feb. 2004). It foresees 4 stages, which correlate with the respective design activities and range from (i) a desk study for pre-feasibility level, (ii) a preliminary EIA and (iii) a detailed ("full") EIA for the detailed design stage and (iv) an EMP as separate section of the design documentation. In this respect the EA process is logical. It is deemed compatible with international good practice. The borrower has prepared an EA for the whole alignment from the R This was reviewed by the Bank team and found acceptable as EA/EMP for the present Project (as a category B project). However, for the phases 2 and 3 of the APL which have been classified as environmental category "A" the Bank team conducted a gap analysis of the existing EA, identified issues to be rectified and improved and assisted the Borrower in producing TOR for a Consultancy to address the identified gaps.

For the issuance of a construction permit (CP) a "full" EIA is required (including field studies and site investigations), which needs to be based on the final design, and contain a section with a detailed EMP. The EMP has to be part of the design documents and is reviewed by the local EPAs as well as by the expertise unit of the MoEP. In the case of road projects it should specifically address river crossings, water courses, soil and vegetation conservation and re-cultivation, protected areas and natural habitats. This EIA needs to be approved by the MoEP and forms the basis of the environmental permit for the construction or operation of a project. This permit can be issued either by the Ministry or one of its local branches. In Kazakhstan EIAs may only be elaborated and submitted for approval by companies or institutions with an official license by the MoEP.

As project design progresses, under Kazakh legislation environmental documentation will be updated to meet the requirements for higher levels of detail in design and implementation arrangements. This will include a detailed EMP which will become part of the tender / contract documents. Such implementation-ready EMPs will include chance find procedures for physical cultural heritage items, although the project has not triggered this safeguards policy and the probability of encountering PCR chance finds is considered very low. Public consultation is mandatory. The final environmental approval on a large construction project (e.g. major infrastructure like the SW corridor project) is given by the Chief Environmental Expert of the MoEP's Expertise Department.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
In compliance with national legislation an environment impact assessment with generic environmental management plans corresponding to the FS / preliminary design level was completed in December 2007 by the Client. These documents will be disclosed by the borrower in the country and in the affected areas and in the World Bank InfoShop before appraisal.

Additionally all IFIs involved in projects on the overall "Western-Europe-Western-China" corridor have agreed to develop an environmental management framework,which ADB has undertaken to finance and prepare. It contains a general overview of the

corridor, environmental baseline conditions, an overview of Kazakhstan'sand the IFI's relevant safeguards policies and resulting consequences for project preparation and implementation, a framework approach for safeguards procedures and responsible entities and authorities. This document will e disclosed domestically and in the InfoShop before appraisal.

The Resettlement/Land Acquisition Policy Framework has been completed during the appraisal mission and been accepted by the borrower and disclosed. Additional site-specific data and Land Acquisition and Resettlement Plans will be submitted to the Bank as they become available during implementation.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:	
Was the document disclosed **prior to appraisal?**	Yes
Date of receipt by the Bank	06/02/2008
Date of "in-country" disclosure	06/24/2008
Date of submission to InfoShop	06/23/2008
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
Resettlement Action Plan/Framework/Policy Process:	
Was the document disclosed **prior to appraisal?**	Yes
Date of receipt by the Bank	06/02/2008
Date of "in-country" disclosure	06/10/2008
Date of submission to InfoShop	06/23/2008
Indigenous Peoples Plan/Planning Framework:	
Was the document disclosed **prior to appraisal?**	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	
Pest Management Plan:	
Was the document disclosed **prior to appraisal?**	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

*** If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment	
Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes
OP/BP 4.12 - Involuntary Resettlement	
Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes
The World Bank Policy on Disclosure of Information	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes
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
All Safeguard Policies	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes
Have costs related to safeguard policy measures been included in the project cost?	Yes
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	No

D. Approvals

Signed and submitted by:	***Name***	***Date***
Task Team Leader:	Mr Henry G. R. Kerali	06/23/2008
Environmental Specialist:	Mr Wolfhart Pohl	06/23/2008
Social Development Specialist	Mr Norval Stanley Peabody	06/20/2008
Additional Environmental and/or Social Development Specialist(s):		
Approved by:		
Regional Safeguards Coordinator:	Ms Agnes I. Kiss	06/23/2008
Comments:		
Sector Manager:	Mr Motoo Konishi	07/17/2008
Comments:		