INTEGRATED SAFEGUARDS DATA SHEET
CONCEPT STAGE

Report No.: ISDSC2340

Date ISDS Prepared/Updated: 14-Mar-2013
Date ISDS Approved/Disclosed: 24-Mar-2013

I. BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country:</th>
<th>Central Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project ID:</td>
<td>P132270</td>
</tr>
<tr>
<td>Project Name:</td>
<td>Central Asia Road Links - Kyrgyz Republic (P132270)</td>
</tr>
<tr>
<td>Task Team Leader:</td>
<td>Cordula Rastogi</td>
</tr>
<tr>
<td>Estimated Appraisal Date:</td>
<td>06-Aug-2013</td>
</tr>
<tr>
<td>Estimated Board Date:</td>
<td>26-Nov-2013</td>
</tr>
<tr>
<td>Managing Unit:</td>
<td>ECSTR</td>
</tr>
<tr>
<td>Lending Instrument:</td>
<td>Specific Investment Loan</td>
</tr>
<tr>
<td>Sector(s):</td>
<td>Rural and Inter-Urban Roads and Highways (90%), Public administration-Transportation (10%)</td>
</tr>
<tr>
<td>Theme(s):</td>
<td>Trade facilitation and market access (40%), Rural services and infrastructure (40%), Regional integration (20%)</td>
</tr>
</tbody>
</table>

Total Project Cost: 150.00
Total Bank Financing: 40.00
Total Cofinancing: 105.00
Financing Gap: 105.00

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>BORROWER/RECIPIENT</td>
<td>5.00</td>
</tr>
<tr>
<td>International Development Association (IDA)</td>
<td>40.00</td>
</tr>
<tr>
<td>Total</td>
<td>45.00</td>
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</tbody>
</table>

Environmental Category: B - Partial Assessment

Is this a Repeater project? Yes

B. Project Objectives

The proposed Central Asia Road Links (CAR) program is the result of a collaborative effort initiated by the respective governments in the Central Asia region. The development objective of the CAR programs is to enhance transport connectivity and integration while developing sustainable and efficient transport solutions. The program will achieve these objectives by (i) financing the upgrade
of priority road sections complementing the on-going CAREC program in transport; (ii)
implementing at pilot sites a set of measures to ensure sustainability and efficiency of the road
infrastructure investments (e.g., maintenance and safety); (iii) strengthening mechanisms of
interaction between road users (trading community and local population) and public agencies
providing services; and (iv) developing a strategy and action plan with specific measures which
could further increase the efficient movement of goods and people across borders. The proposed
CAR program is expected to have substantial positive impacts on poverty reduction and economic
growth.

In line with the overall Project Development Objective (PDO) of the program, the development
objective of the first phase of the proposed Adjustable Program Lending (APL I) is to rehabilitate
priority road sections in Osh and Batken Oblasts (along the Osh-Batken-Isfana road) and improve
road operations and maintenance practices along the core road network. The road links once
rehabilitated will improve access along the only land transport connection between the main Kyrgyz
cities in the Ferghana valley to the rest of the country. It will also contribute significantly to lowering
the cost of transport of imports and exports in a corridor from and to China. Recent estimates show
that more than 550,000 tons of goods travel through the road corridor while traffic intensity is
greatest south of Osh city at about 6,000 vehicles per day and over 800 vehicles per day in and
around Isfana city. Most importantly, the recently updated feasibility study for the road sections in
Osh and Batken Oblast shows that the share of commercial vehicles (trucks) has doubled within the
last two years from about 10 percent to 20 percent of total traffic. Passenger traffic in cars and buses
represents the remainder.

The possibility of preparing simultaneously projects for each participating country in a matrix of
interdependent actions and investment does appear challenging. Still, the achievement of the overall
program objectives will be greatly aided by simultaneous standardization and harmonization of trans-
border road-related infrastructure, institutions and operations among countries. Taking this into
consideration, a regional or ‘horizontal’ APL structure provides important advantages and is the
preferred option as it will allow to implement the program with sequential entry of countries (as each
becomes ready to enter). A horizontal APL is found to be more useful because it formally embeds the
objective of the program in a long-term framework and it enables to focus on the right issues,
prioritization and phasing of investments and policy dialogue. Given the geopolitics of the region, a
long-term commitment is politically important and could provide an efficient framework of
incentives of good performance.

C. Project Description

The Bank-financed proposed APL I will consist of the following components (estimated costs are
presented as net of all taxes and duties which are covered by the Government's co-financing and
represent about 20 percent of total project costs):

Component 1: Rehabilitation of Priority Road Sections in Osh and Batken Oblasts
The component will finance the provision of works and consultants’ services for the rehabilitation of
about 150 kilometers of priority road sections along and within close vicinity of the road linking Osh,
Batken, and Isfana cities with neighboring countries. The priority road sections will be located in
Osh and Batken Oblasts and are expected to include: Nookat Pass to Kyzyl Kiya, bypass around
Batken, Isfana city to border with Tajikistan as well as additional links to borders with neighboring
countries. The proposed road sections are expected to be built based on design standards of road
category III according to SNIP KR 32-01:2004 (carriageway width up to 15 meters, shoulder width is
up to 3.75 m). This includes services for construction supervision and physical and price
contingencies (estimated at about 20 percent). Estimated total cost: US$ 140 million.

Component 2: Improvement of Road Operations and Maintenance Practices
This component will finance the provision of goods, and consultants’ services for the improvement of road operations and maintenance practices prolonging life cycle of newly rehabilitated road sections and road structures. Multi-year road maintenance contracts (featuring performance standards) with selected DEPs will be implemented along sections that were recently completed with support from IFIs (e.g., Pulgon-Batken, Bishkek-Osh, Irkestam-SaryTash). This will require the revision of existing legislation (such as procurement laws), support in drafting of bid documentation, conducting the tender as well as supervising the implementation of the works. On-going work financed by technical assistance grants from the Japan International Cooperation Agency (JICA) and the World Bank on road maintenance planning will complement the proposed component. In order to support implementation of the recently adopted law on axle-load control according to which it is prohibited for trucks with axle loads exceeding 100 tons to enter the country, this component will review the existing framework and potentially finance scales that could be used along the road corridor. Estimated total cost: US$5 million.

Component 3: Project Management, Implementation, and Strategic Plan Development
This component will finance the provision of goods, consultants’ services, training, operating costs, including a financial audit to support project coordination, implementation and management. Consulting services will also be procured to develop a strategic plan for cross-border trade facilitation measures to be implemented in the medium to long-term along the Osh-Batken-Isfana road, complementing existing initiatives by the ADB and others, such as the RIBS project which will improve border-crossing points, logistics and customs procedures in the region. Estimated total cost: US$5 million.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)
Project expected locations include:
* Nookat Pass to Kyzyl Kiya,
* Batken bypass and link to border,
* Isfana city to border with Tajikistan.
Risks are limited to the typical impacts associated with road construction and rehabilitation projects. The severity of potential impacts is moderate and mostly limited to the construction period: (i) air pollution and noise from trucks and other construction machinery, and asphalt plants, (ii) soil disturbance during earthmoving and material (gravel/sand/soil) extraction, and (iii) tree-cutting and loss of vegetation, (iv) generation and disposal of construction and household (from construction camps) solid waste, and (v) construction camp management (which will be temporary with only minor and localized negative effects).

E. Borrowers Institutional Capacity for Safeguard Policies
The MoTC is responsible for the implementation of all transport and communications related projects. MoTC and its IPIG have accumulated substantial knowledge on project management from the implementation of projects financed by the World Bank and other development partners such as the ADB, the Eurasian Development Bank (EDB), the European Bank for Reconstruction and Development (EBRD), the delegation of the European Union (EU), the Islamic Development Bank (IsDB) as well as China Exim Bank. IPIG which is responsible for fiduciary and safeguards related functions of the project, including flow of funds, budgeting, internal control, accounting, contract management, reporting and auditing has a good track record. IPIG is also responsible for the
collection of Project's performance indicators data and analysis of results, and implementation of safeguards policies. An assessment will be undertaken as part of the preparation of the proposed Project to review IPIG’s capacity to implement this additional Project. An IPIG staff have been assigned to update the environmental and social safeguards documentation and monitor compliance with safeguards requirements during project implementation.

F. Environmental and Social Safeguards Specialists on the Team

Alexei Slenzak (ECSEN)
Aly Zulficar Rahim (ECSSO)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
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<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>Road rehabilitation will be undertaken within the existing right of way of the road and environmental impacts can be mitigated by good construction and housekeeping practices. The EIA and EMP have been prepared by the client. The following sections of the road were not covered by EIA: * Batken bypass and link to border, * Isfana city and link to border with Tajikistan The environmental documentation (EIA and EMP) will be updated and disclosed by MOTC and public hearings will be organized in specific project locations.</td>
</tr>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>TBD</td>
<td>The project EMP was prepared in July 2009. This EMP does not cover sections between Isfana city and border with Tajikistan and bypass around Batken city. The project team jointly with IPIG will check whether there are protected areas or other important natural habitats in the areas of road alignment and if OP/BP 4.04 is triggered.</td>
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<tr>
<td>Forests OP/BP 4.36</td>
<td>TBD</td>
<td></td>
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<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
<td></td>
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<td>Physical Cultural Resources OP/BP 4.11</td>
<td>TBD</td>
<td></td>
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<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>No</td>
<td></td>
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<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>Yes</td>
<td>A Resettlement Policy Framework was prepared by the client for the Bank-financed National Roads Rehabilitation Project, and re-disclosed on May 4, 2010 during processing of the Additional Financing for NRRP. The RPF was</td>
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developed to accurately reflect potential resettlement impacts along the primary corridor proposed for financing under the new project. The RPF thus is expected to remain largely valid and is expected to be comprehensive enough to deal with anticipated resettlement impacts and when necessary enable the preparation of site-specific Resettlement Action Plans when designs are finalized. Land acquisition is expected to be small-scale in nature with possible impacts on roadside vendors or kiosks, or potential acquisition of small uninhabited parcels of private land directly adjacent to road alignments if widening occurs.

As the selection of segments is ongoing, the RPF will be reviewed and updated as required during preparation. This review will, in particular, assess any modifications to the RPF that might be necessitated by the inclusion of new proposed segments:
- Batken bypass and link to border with neighboring countries,
- Isfana city to border with Tajikistan.

Any necessary revisions to the RPF will made before a final version is disclosed by MOTC in conjunction with any necessary public consultation.

<table>
<thead>
<tr>
<th>Safety of Dams OP/BP 4.37</th>
<th>No</th>
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<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
<td>No</td>
</tr>
<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
<td>No</td>
</tr>
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### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 15-Aug-2013

**B. Time frame for launching and completing the safeguard-related studies that may be needed.**

   The specific studies and their timing\(^1\) should be specified in the PAD-stage ISDS:

   The environmental documentation (EIA with EMP) will be updated and disclosed by MOTC and public hearings will be organized in specific project locations during preparation. The RPF will be reviewed and updated as required during preparation. This review will, in particular, assess any modifications to the RPF that might be necessitated by the inclusion of new proposed segments:

### IV. APPROVALS

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\(^1\) 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.
<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task Team Leader</td>
<td>Cordula Rastogi</td>
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<tr>
<td>Approved By:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional Safeguards Coordinator</td>
<td>Agnes I. Kiss (RSA)</td>
<td>24-Mar-2013</td>
</tr>
<tr>
<td>Sector Manager:</td>
<td>Juan Gaviria (SM)</td>
<td>15-Mar-2013</td>
</tr>
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