

GEORGIA: NORTH-SOUTH CORRIDOR (KVESHETI-KOBI) ROAD PROJECT

Fact Sheet

Updated September 2019



OVERVIEW

Improving the North-South Road Corridor is a priority for Georgia. The corridor is a vital transport and trade network that facilitates connections across the country, from Armenia to Russia and beyond.

Various portions of the corridor are currently being upgraded and modernized. The central section of the corridor connecting Kvesheti to Kobi through the Jvari Pass, 2,400 m above sea level, needs to be fully realigned. The existing 35-km road is unsafe, experiences heavy traffic, and is difficult to maintain in winter, resulting in lanes being closed to trucks and occasionally full closure of the road.

A new bypass road from Kvesheti to Kobi will be built to allow increasing traffic to travel on it safely, and will remain fully operational all year. The Government of Georgia has signed a loan agreement (\$415 million equivalent) with ADB for the project and has applied for financing (\$60 million equivalent) from EBRD.

ADB SUPPORT

- Engineering design work will ensure that impacts on the local environment and affected communities are minimized, while cutting travel times and improving accessibility.
- In addition to the \$415 million in financing, ADB will bring international best practices to ensure the project delivers the maximum benefit to Georgia.
- ADB has provided grant-based technical assistance to strengthen project readiness and compliance with environmental and social safeguards requirements.

PROJECT RATIONALE

Status of Existing Road

- The road is inadequate for the volume of current traffic (3,000-4,000 vehicles per day), causing congestion, pollution, and accidents. Up to 35% of all traffic is delayed, a number that is expected to double in the next 15 years.
- The road is difficult to maintain in winter, meaning it is closed for extended periods each year (an average of 44 days per year during 2012-2016).
- Open tunnels are too narrow for two-way travel of modern trucks.
- Slow travel times impact local development, including local tourism and agriculture.
- The current road is also dangerous, with six deaths and 89 injuries recorded in the project area between 2012 and 2017.

Benefits of New Road

- The new bypass will improve traffic flow and safety, increase trade, boost tourism, create jobs and raise living standards for local populations.
- Full-year access for rural populations in the area, who are cut off from economic and social services, including schools and hospitals, when the existing road closes in winter.
- Improved road safety, including through settlements, that will reduce accidents and congestion. Tunnel work, built to European Union standards, will eliminate avalanche risks in key locations.
- The new road will seek to preserve Georgia's rich natural and cultural heritage and provide opportunities for tourism development by improving access to recreation and natural areas, including the Gudauri ski resort and Kazbegi National Park.

AT A GLANCE

• Length

The new bypass road is 23-km long, 12-km shorter than the existing road.

• 2 lanes, asphalt road

The road will have one lane each way, plus an additional climbing lane uphill for heavy vehicles

• 5 tunnels and 6 bridges

The road includes 5 tunnels at a total length of 11 km, one of which is 9 km long, and 6 bridges at a total length of 1.6 km, including a concrete arch bridge spanning the Khadistskali River.

• Network of local roads

The project scope includes improvements to about 5 km of local roads that connect with the project road.

PROJECT FINANCE

The total cost of the project is estimated at \$558.6 million

ADB	\$415 million
EBRD	\$60 million
Government of Georgia	\$83.6 million
Total	\$558.6 million

ENVIRONMENTAL IMPACTS

- An extensive environmental assessment of the project area has been conducted. The assessment includes biodiversity surveys; aquatic surveys; air and noise surveys; and archaeological/cultural heritage surveys. It also includes noise and vibration modellings.
- Fauna and flora surveys of the project area were done, with a focus on the presence of protected species. Particular attention was paid to avian fauna in the Kobi area, located close to Kazbegi National Park, within the Special Protection Area for Birds (SPA 9).
- The archaeological and cultural heritage survey identified and registered cultural monuments and potential sites of archaeological significance.
- The environmental impact assessment for the project includes a systematic comparison of feasible project alternatives (in terms of location, technology, design and operation). Each alternative includes potential impacts; feasibility of mitigation; capital and recurrent costs; suitability under local conditions; and residual impacts on the natural and social environment and on the cultural heritage.
- Given the rich natural and cultural heritage of Georgia's countryside, all works that could potentially impact biodiversity or cultural sites will be carried out in consultation with ecologists and archeologists. An Environmental Management Plan and Biodiversity Action Plan have been prepared and cultural heritage monitors will be hired.

SOCIAL IMPACTS

- For the development of the project, it will be necessary to acquire a number of land plots and houses located within, or in the immediate vicinity of, the footprint of the road and structures, such as bridges and tunnels. Land Acquisition and Resettlement Plans have been prepared to address these issues.
- Some communities will be affected by project activities during both construction and operation. Extensive assessments have been conducted on impacts including traffic, noise, and dust emissions; vibrations; and other aspects. Mitigation measures to minimize these impacts have been identified and are included in the project's Environmental Impact Assessment report.

PUBLIC CONSULTATIONS

The Government of Georgia has committed to conduct a meaningful consultation and participation process involving project-affected people and other stakeholders in compliance with ADB's 2009 Safeguard Policy Statement. As of June 2019, more than 45 stakeholder engagement events have been conducted with village residents in the area, as well as with representatives from local and national government, and civil society.

The objectives of ADB's safeguards are to:

- avoid adverse impacts of projects on the environment and affected people, where possible;
- minimize, mitigate, and/or compensate for adverse project impacts on the environment and affected people when avoidance is not possible; and
- help borrowers/clients to strengthen their safeguard systems and develop the capacity to manage environmental and social risks.

With regard to information disclosure, ADB is committed to working with the Government of Georgia to ensure that relevant project information is made available in a timely manner, in an accessible place, and in a form and language(s) understandable to affected people and to other stakeholders, including the general public, so they can provide meaningful inputs into project design and implementation.

MORE INFORMATION:

ASIAN DEVELOPMENT BANK

Project Website:

<https://www.adb.org/projects/51257-001/main>

Safeguard Documents:

<https://www.adb.org/site/safeguards/main>

Contact Person:

Kamel Bouhmad
Transport Specialist
Transport and Communications Division
Central West Asia Department
Kbouhmad(@)adb.org

GOVERNMENT OF GEORGIA

Project Implementing Agency:

Roads Department of Georgia:

<http://www.georoad.ge>

Building Better Georgia:

<http://build.gov.ge/ge/projects>

Project Executing Agency:

Ministry of Regional Development and Infrastructure of Georgia:

12 Khazbegi Str. 0160 Tbilisi
Georgia

Contact Person:

Levan Kupatashvili
Deputy Chairman
Roads Department of Georgia
Info(@)georoad.ge