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

Frequently Asked Questions (FAQ)

Date of this FAQ: Sept 2019; date of first FAQ: July 2018

PROJECT RATIONALE

Status of the Existing Road

1. Why is construction of the Kvesheti-Kobi road necessary?

The existing 35-km road connecting Kvesheti and Kobi is unsafe, congested, and prone to avalanches. The existing road is inadequate for the volume of traffic it carries, which currently ranges between 3,000 and 4,000 vehicles per day (70% of cars and 30% of vans/buses/trucks). It has an inadequate horizontal and vertical alignment, climbing from 1,370m to 2,200m via a series of hairpin bends. It 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). The existing road is also dangerous, with six deaths and 89 injuries recorded between 2012 and 2017. The new bypass road and tunnel connecting Kvesheti and Kobi will allow the increasing traffic to travel on it safely and will remain open all year.

2. Will this new road make Georgia an international transit corridor?

The North-South Corridor is a vital transport and trade network that facilitates connections across the country, from Armenia to Russia, and beyond. It is crucial for the connectivity of international trade and is also essential for Georgia's global market access and socioeconomic development. The new road is a key component of this growing interconnected network.

Benefits of the New Road

3. How will the road benefit Georgia's economy?

Improving the North-South Road Corridor is a priority for Georgia. Slow travel times and high vehicle operating costs impact trade and local development, including tourism and agriculture. Traffic disruption is also a major impediment to meeting increasing transport demand and harnessing the tourism potential of the area.

4. How will travel times and accidents be decreased?

The government's program to progressively improve the North-South corridor includes (i) constructing a 23-km two-lane bypass road between Kvesheti and Kobi, with an additional climbing lane for heavy goods vehicles along 70% of the bypass, to address impending capacity constraints; (ii) providing adequate safety features and improving the horizontal and vertical alignment to address safety deficiencies of the existing road; (iii) building well-designed tunnels that will enable safe and year-round two-way traffic. In addition, the project will provide a series of road safety awareness sessions for communities and schools in the area.

5. How will the area benefit from the new road?

Road closures during the winter months mean many communities in the area are cut off from economic and social services. In the Khada valley, villagers are snow-bound for up to four months a year meaning they have to evacuate the valley during those months or stay behind and endure potentially dangerous hardships throughout the winter. The new bypass road will provide year-round access for rural populations in the Khada valley, enabling them to access important economic and social services in all seasons. Other communities and tourist destinations along the Kvesheti-Kobi road will benefit from safer and more reliable road access.





6. How will the road and tunnel project affect people's livelihoods?

The improvements made to the main road and local access roads will increase trade, boost tourism, enhance access to markets and social services for local communities and stimulate economic activities. In the short term, the bypass road will contribute to poverty reduction by providing job opportunities in road construction, operation, and the maintenance of transport infrastructure.

In addition, the project intends to support community development initiatives to enhance local livelihoods. These initiatives will be identified and implemented in close consultation with local communities and may include community-based ecotourism support as well as improved water/sanitation infrastructure. A gender analysis was conducted and a Gender Action Plan has been produced to ensure women and girls in the area benefit from the project.

7. Will the new bypass road make driving in the area safer or more dangerous?

The new road will be constructed to international standards in terms of geometric alignment, road lighting, pedestrian crossings, and road safety features thus making it significantly safer to drive. Furthermore, the separation of transit traffic, particularly by diverting heavy goods vehicles that currently pass through Gudauri and other populated areas, will significantly improve safety and also reduce disturbances.

PROJECT DESCRIPTION

Project Status

8. What is the current status of the project?

The project's pre-feasibility study, feasibility study, detailed engineering design, and procurement documentation was prepared under World Bank financing. The project's due diligence and safeguard documentation has since been prepared under ADB and EBRD financing.

9. When will construction begin?

Construction of the bypass road including the long tunnel is expected to begin in early 2020.

10. Have construction companies been selected?

Yes, the government has signed two civil works contracts for the construction of the 9-km long tunnel (Lot 1) and the 14-km long road section (Lot 2).

11. How were the construction companies selected?

The Roads Department of Georgia selected the construction companies through international competitive bidding in accordance with ADB Procurement Policy and Regulations. The companies had to demonstrate that they are capable of meeting a wide range of technical specifications and financial requirements.

Project Scope

12. How long is the proposed road and tunnel?

The new bypass road is 23-km long, about 12-km shorter than the existing road. The two-lane (one-lane each way) asphalt road will have an additional climbing lane for heavy vehicles. The road will be constructed to 80 km/hour design speed with appropriate safety features. Tunnel work, built to European Union standards (EU Directive 2004/54/EC), will eliminate avalanche risks in key locations. The road includes five tunnels totalling about 11km. The longest tunnel is about 9km in length and will be the longest in Georgia.

13. What tunneling method will be used?

A tunnel boring machine will be used for construction of the main tunnel. Cut and cover and drill and blast methods will be used for construction of the main tunnel's emergency gallery and the four smaller tunnels.

14. Will there be lighting as well as road crossings and underpasses?

Yes. Road lighting and designated road crossings and underpasses are an integral part of the project design.

15. Will the new road cut off access to smaller roads that lead to local houses?

No. Access to smaller roads and properties will be maintained or improved where appropriate.

16. What alternatives to the proposed route were examined? And why were they rejected?

As part of the project feasibility studies financed by the World Bank, a systematic comparison of project alternatives in terms of alignment, technology, design, geo-technical risks, and operation was undertaken. The engineering studies commenced with a prefeasibility study that assessed several alignments in three alternative corridors: two within the Gudauri valley and one within the Khada valley. An upgrade of the existing road alignment with improved geometry and avalanche galleries was also considered, but deemed inadequate as it would not address core road functionality and safety problems as well as climate-related risks. The two corridors in the Gudauri Valley were not considered feasible mainly due to adverse geological conditions that would mean unacceptably high risks for tunnel construction and safety, and possible significant impacts on Kazbegi National Park (about 6km of the new highway would have to go through the national park). Geological conditions in the Khada valley were assessed as acceptable, and thus it was deemed as the only feasible corridor for the project. During the feasibility study, the Khada valley corridor was refined to three possible alignments. A comprehensive multicriteria analysis concluded that the proposed road alignment requires a 9 km long tunnel through the mountain range between the villages of Tskere and Kobi. A stakeholder brief summarizing the assessment of alternatives is available in Georgian on the Roads Department website and in English on the project page of ADB's website.

17. Will the Roads Department build new roads to connect nearby villages to the Kvesheti-Kobi section of road?

This project is not just about the new bypass road and long tunnel. The project scope also includes new local roads and improvements to several existing local roads. These will connect villages and rural communities to provincial centers and beyond, meaning better access to bigger markets, better social services, and more economic opportunities.

18. Are there footpaths on the road that people can use to walk to neighboring villages?

The new road has been designed and will be built to conform to international standards (Trans-European North-South Motorway and EU Directive 2004/54/EC). As such, it will not be permitted to walk on the new highway. However, safe pedestrian crossings and footpaths will be provided alongside the road.

19. Residents of Kvesheti village want the road to be built on the other side of the river. Is that possible?

There are a number of technical and safety reasons why this is not possible. The main reason is that the slope on the other side of the river is difficult to stabilize, and if the road is constructed there, it would be prone to landslide risks.

20. Are water, communications, and other critical infrastructure at risk of damage during construction?

Part of the construction contractors' work is to identify all of the utilities that will potentially be affected and then work with the community, should any of the services need to be relocated or temporarily cut off, to ensure there is no lack of service to the community until normal services are restored.

21. What will be done to avoid noise and vibrations during the construction process?

The construction contractors will have to produce a Site-Specific Environmental Management Plan and implement mitigation measures in relation to noise and vibration. The contractor will have to monitor that noise and vibration levels do not exceed agreed standards. Should that eventuate, the construction contractor will have

to reduce noise and vibration impacts by using different equipment or working methods. Further, construction camps will be located at least 1km away from communities.

22. Who is going to be responsible for maintaining the existing road?

The Roads Department of Georgia will be responsible for maintaining the existing and new bypass road.

Project Financing

23. How much will this project cost?

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

24. How is the project to be financed?

In August 2019, the Government of Georgia signed a \$415 million (equivalent) loan agreement with ADB toward the cost of the North-South Corridor (Kvesheti-Kobi) Road Project. The Government has applied for \$60 million (equivalent) in financing for the project from the European Bank for Reconstruction and Development (EBRD). The government will provide counterpart funding equivalent to \$83.6 million to cover taxes and duties, land acquisition and resettlement costs, financing charges, and other miscellaneous costs.

PROJECT IMPACTS

Environmental Impacts

25. There are many natural habitats in the project area and in the Kazbegi National Park. These include bird migratory corridors and mammal crossing points. Will these be protected?

The project's 9km road tunnel runs directly beneath a small section of Kazbegi National Park and the proposed Emerald Network area, and thus is expected to have no direct impact on either site. In the broader project area, there are important natural habitats that include mammal crossing points and bird migration corridors. These habitats have been studied by experts as part of project preparations and the project's Environmental Impact Assessment includes a range of mitigation actions to ensure biodiversity is protected. Meetings have been held with the following stakeholders to discuss biodiversity issues in the project area: the Centre for Biodiversity Conservation and Research; the Caucasus Nature Fund; SABUKO; the Georgian Centre for the Conservation of Wildlife; the Agency for Protected Areas; and the World Wildlife Fund.

In terms of birds, the broad project area of Jvari contains a migratory flyway through which, at peak migration, more than 30,000 raptors pass each day. However, recent surveys indicate that the specific project area of the Khada valley is of lesser importance to birds compared to Jvari itself. In terms of mammals, six species—the Brown Bear, the Eurasian Lynx, the Eurasian Otter, the Chamois, the Tur and the Grey Wolf—are potentially present within the specific study area, but will roam widely in the Jvari and Kazbegi areas. Other species of small mammals, reptiles and amphibians—including the Kazbegi Birch Mouse, Dinniks Viper, and three species of bats—are also potentially present.

A Biodiversity Action Plan has been developed that specifies actions to safeguard, protect, and enhance biodiversity in the area. Its implementation will be closely monitored by an International Biodiversity Expert and an Ecological Clerk of Works, both hired under the project.

26. Tourism is very popular in the area. Will the project make the area less appealing to tourists?

Overall, the project is expected to benefit tourism. The new road and tunnel will increase accessibility and decrease the seasonality of the area. It will also improve the experiences and safety of visitors to the area, opening up destinations such as Kazbegi National Park, spectacular valleys and picturesque villages to tourists from around the world. The project is currently undertaking consultations with local residents, government authorities, and civil society to identify activities it can support to enhance community-based tourism in the area.

27. What is an Environmental Impact Assessment?

An Environmental Impact Assessment (EIA) is an assessment of the environmental consequences (positive and negative) of a plan, policy, program, or actual projects prior to the decision to move forward with the proposed action. The EIA report (English) for the project can be downloaded here: https://www.adb.org/projects/documents/geo-51257-001-eia-0

28. What is an Environmental Impact Assessment Scoping Report?

An EIA Scoping Report considers the biological, social, economic and cultural impacts of a proposed activity, in this case the road and tunnel project. It also considers alternatives to the chosen project site and explains why the alternatives were not chosen. In addition to other important functions, the EIA Scoping Report serves as a road map for an EIA. Scoping Reports for EIAs are required under Georgian law.

29. Does Georgia's new Strategic Environmental Protection Assessment procedure apply to the project?

No. The procedure came into effect on 1 July 2018, by which time the EIA Scoping Report process for the project had already begun.

30. What is going to happen to the spoil material generated by the project?

The project will generate around 3.6 million cubic meters of inert spoil material that is surplus to the requirements of the project. This will be transported to permanent spoil disposal sites within the project area and these recommended sites, along with a spoil disposal management framework, have been included in the draft EIA. During the public consultations and focus group meetings, some local communities expressed interest in accommodating some of the spoil, assuming it is of appropriate quality, for filling and levelling land in their communities.

31. Construction camps can damage the surrounding environment. Where will they be located and who will monitor them?

Construction camp locations have yet to be determined and will be proposed by the construction contractors. However, recommendations for site selection and mitigation of impacts are specified in the draft EIA report. Construction camps will be located at least 1 kilometer from any residential property and 2 kilometers from ecologically sensitive areas. The construction contractors are required to produce a Construction Camp Management Plan to be approved by the Roads Department and monitored by the Construction Supervision Consultant.

32. In the project zone there is a St. George Cross, a Soldiers' Monument, graveyards, and other important cultural monuments. Will these be affected by the construction?

The Georgian National Agency of Heritage Protection has undertaken a review to identify and register cultural monuments and important archaeological sites. Georgian law states that it is forbidden to carry out construction closer than 300m from a protected site if the construction hinders a view or damages a monument. According to the project design, graves and shrines will not be affected. In fact, the plan calls for the construction. Given the rich cultural heritage of Georgia, particularly in the Khada Valley, all works that could potentially impact cultural heritage sites will be carried out in consultation with archaeologists and cultural heritage monitors will be deployed on site in particularly sensitive locations. The contractor is required to conduct a pre-construction survey to document the condition of all cultural heritage sites that could potentially be affected. In addition, the National Agency for Cultural Heritage Preservation of Georgia is collaborating with the project to ensure adequate protection measures are in place.

Involuntary Resettlement

33. What is the policy regarding involuntary resettlement?

With support from ADB and EBRD, the Government of Georgia has prepared a Land Acquisition and Resettlement Plan (LARP) for each of the two Lots. The LARPs identify who will be affected by the project, estimate the economic impacts they will suffer, and determines how they will be compensated or have their incomes restored. For the development of the project, it will be necessary to acquire about 240 land plots and houses located within (or in the immediate vicinity of) the footprint of the road, structures, and spoil areas. There may be cases where an affected person refuses to be resettled. In such cases, all efforts will be made to reach an agreement. In case an agreement cannot be reached, the provisions of eminent domain shall apply.

34. What is eminent domain?

If affected people do not agree with the amount of money they are being offered as compensation, then the only step forward for the Roads Department is the law of Eminent Domain, which is the forcible expropriation of property by the courts.

35. Will homeowners be compensated if their houses are damaged during the construction process?

Yes. The contractor is required to conduct a pre-construction survey to document the condition of potentially affected structures. Should a structure that has not been included in the Land Acquisition and Resettlement Plan be damaged, compensation will be payable. People who are concerned that their property might be damaged during construction are encouraged to document the pre-construction condition of their structures, if possible.

36. Some people in the area say they are having trouble registering their land. They believe their land is not being registered because it will raise its value and make it more difficult for the government to purchase. Is this true?

The ADB and the Roads Department want all affected land to be registered and are committed to this being a transparent process. If affected people have questions or concerns about registering their land they should contact the Roads Department or the ADB Resident Mission office in Tblisi (see contact details section at the end of this document).

37. How do I know if the project is going to affect my land?

All affected people will be contacted formally by representatives from the Roads Department during the preparation of the Land Acquisition and Resettlement Plan.

38. What can I do if my land is not registered?

If land is entitled to be registered, it is recommended that the registration process be undertaken as soon as possible. Contact the Roads Department resettlement team for assistance with land registration.

39. If my parcel of land is not registered, what is going to happen?

If it is possible to legally register the land, the registration process will be completed and the land will be compensated at market value. If the affected person is not legally entitled to register the land plot, market value cannot be paid, however other allowances and compensation will be payable, and all improvements made to the land will be compensated at replacement cost.

40. What should people do if officials are not being helpful in resolving land registration issues?

Any issues should be communicated to the Roads Department in the first instance. Affected persons may also contact ADB and/or EBRD.

41. What happens if people's livelihoods are going to be negatively affected on a permanent basis?

Loss of livelihood will be compensated by the project. Various allowances will be paid to affected persons, based on a range of criteria as explained in the project information note that was distributed during the preparation of the Land Acquisition and Resettlement Plans (LARPs). Full details are in the final LARPs, which have been disclosed in English on ADB's website and in Georgian on the Roads Department website.

STAKEHOLDER ENGAGEMENT

Consultations with Directly Affected Persons

42. What is being done to consult with people in the area who will be affected by the project?

The Government of Georgia, ADB and the EBRD are committed to a robust and meaningful consultation and participation process involving project-affected people and other stakeholders. A Stakeholder Engagement Plan (SEP) was prepared under EBRD financing and serves as a general framework for building and maintaining positive relationships with stakeholders throughout the entire project lifecycle.

As of June 2019, more than 45 stakeholder engagement events have been conducted as part of the project preparation process. More than half of these events were consultations with village residents, and included focus group discussions, one-on-one meetings, and community consultation events. A number of meetings were also held with representatives from NGOs, academia, and local and national government representatives. Issues raised and discussed include technical design options, environmental impacts, land acquisition and resettlement, gender concerns, and project planning and implementation. The stakeholder engagement activities conducted to date have provided the government and its partners with a greater understanding about the impacts the project will have on local communities and the natural environment. As a result, several significant design changes have been made to accommodate people's concerns.

The outcomes of the consultations are being documented and reflected in the Environmental Impact Assessment (EIA) and the Land Acquisition and Resettlement Plan (LARP) and in the project's overall scope and design. Consultations will continue to be held as engagement is an ongoing activity throughout the life of the project.

43. Have the public consultations had any effect on the design process?

Yes, there are many instances where the views expressed at the public consultations have led to design changes and re-engineered solutions. For instance, (i) an underpass will be built in Kvesheti, (ii) the design of the Bedoni access road alignment was changed to avoid going through the middle of the village, and (iii) the tunnel section at Tskere (southern portal) will be extended by approximately 100 meters in order to maintain pedestrian access to a nearby graveyard.

Information to the General Public

44. Are there mechanisms for people to make formal complaints about the project to the Georgian government, the ADB and/or the EBRD?

Yes, there is a Grievance Redress Mechanism (GRM) established by the project. The mechanism is explained in the EIA report and also in a leaflet that has been distributed to affected communities. People should address any complaints to the Grievance Redress Committee focal point: Dimitri Lomidze, Representative of the Resettlement Division, Roads Department (Tel: 579 000 382 Email: <u>dmitriylomidze@gmail.com</u>). If the complaint is not able to be resolved at local level it may be elevated for consideration at the national level. Should the complainant be unsatisfied by the ruling made, the complaint may be submitted to a court of law. The complainant may also submit a complaint to ADB and/or EBRD.

MORE INFORMATION:

GOVERNMENT OF GEORGIA

Project Executing Agency:

Ministry of Regional Development and Infrastructure of Georgia 12 Khazbegi Str. 0160 Tbilisi Georgia

Project Implementing Agency:

Roads Department of Georgia: http://www.georoad.ge

Building Better Georgia: http://build.gov.ge/ge/projects

Contact Person:

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

ASIAN DEVELOPMENT BANK

Project Website: https://www.adb.org/projects/51257-001/main

Safeguard Documents: https://www.adb.org/site/safeguards/main

Contact Person:

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