



## Project Data Sheet

Project 42414-033

Project Name	Sustainable Urban Transport Investment Program - Tranche 2
Project Number	42414-033
Country / Economy	Georgia
Project Status	Closed
Project Type / Modality of Assistance	Loan

### **Loan 2879-GEO: Sustainable Urban Transport Investment Program - Tranche 2**

Source of Funding / Amount	Ordinary capital resources	US\$ 48.89 million
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### **Loan 2880-GEO: Sustainable Urban Transport Investment Program Tranche 2**

	Asian Development Fund	US\$ 16.00 million
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Strategic Agendas	Environmentally sustainable growth Inclusive economic growth Regional integration
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Drivers of Change	Gender Equity and Mainstreaming
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Sector / Subsector	<b>Transport</b> / Transport policies and institutional development - Urban roads and traffic management
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Gender	Some gender elements
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Description	Project 2 will improve the urban transport system in urban areas and comprises one subproject: the section 1 (km 0-4) and section 3 (km 10.5-17.1) of the international standard Tbilisi-Rustavi Urban Road Link. The Government, through the Ministry of Finance has submitted on 19 March 2012, the periodic financing request (PFR) for Tranche 2, requesting a loan from ADB's ordinary capital resources and ADB's Special Funds resources. Project 2 will improve the urban environment, strengthen economic and tourism development and regional integration.
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Project Rationale and Linkage to Country/Regional Strategy	<p>The government envisions the cities as the engine of economic growth and job creation. The government emphasizes city cluster development and the delivery of quality infrastructure and urban services. These are considered essential to increase quality of life, attract investment and increase productivity and competitiveness. The strategic vision is shared by all municipalities. In this regard, the Government has been working out an urban and regional renewal strategy and has been supporting the business plan to attract private investments.</p> <p>In line with the urban transport sector roadmap prepared for the MFF, development plans are prepared for various regions with the support of international development partners. Urban transport, with the other urban services, constitutes the core of this strategy. The MFF policy framework outlined in 2010 is being implemented and rolled out. It promotes competition, private sector, efficiency, fairness, transparency, environmental sustainability, value for money with regard to capital investment, maintenance, and service provision.</p> <p>The urban transport sector roadmap priorities approved on 25 June 2010 are to (i) complete and upgrade the road network, (ii) develop public transport and nonmotorized transport to reduce pollution, noise, and traffic accidents, and (iii) improve living conditions. These strategic objectives are fully consistent with the Interim Operational Strategy of Georgia_ and in line with ADB's sustainable transport objectives.</p> <p>As part of this MFF, the government, (including the MDF, Tbilisi and the other municipalities) requested ADB for a second tranche to help them tackle the urban transport problem within the framework of the urban renewal strategy. The policy reform framework has been particularly actively implemented in Tbilisi under Tranche 1 and is also rolled out in other secondary cities during tranche 2.</p>
Impact	Improved urban environment, local economy and better living conditions within urban areas.

## Project Outcome

Description of Outcome	Efficient, reliable and affordable urban transport services provided in relevant cities
Progress Toward Outcome	Closing date extended until 18 July 2020.

## Implementation Progress

Description of Project Outputs	<p>Urban transport infrastructure extended, rehabilitated and improved by MDF and relevant municipalities.</p> <p>Subprojects for subsequent tranches ready for implementation.</p> <p>Establishment of skilled and experienced units to oversee the management and the implementation of the Project in MDF and relevant municipalities.</p>
Status of Implementation Progress (Outputs, Activities, and Issues)	<p>The civil works contract for Batumi coastal protection was signed on 15 November 2016 with expected completion date in 30 November 2019.</p> <p>Construction completed in Tbilisi Rustavi urban link completed (Sections 1 and 3).</p> <p>Completed preparation of the safeguard documents.</p> <p>Achieved.</p> <p>Partially achieved.</p>
Geographical Location	Gardabani Raioni, K'alak'i Rust'avi, K'alak'i T'bilisi, Mestia, P'onichala, Rustavi, Tbilisi

## Safeguard Categories

Environment	B
Involuntary Resettlement	A
Indigenous Peoples	C

## Summary of Environmental and Social Aspects

Environmental Aspects	<ul style="list-style-type: none"><li>- Project is classified as environmental category B under ADB's Safeguards Policy Statement, 2009_</li><li>- The environmental assessment and review and framework (EARF) approved in 2010 is still applicable for the tranche.</li><li>- The initial environmental examination (IEE) have been prepared and posted on ADB and MDF websites.</li><li>- Environmental Management and Monitoring Plan will be updated during detailed engineering design, incorporated in bidding documents and civil works contracts and monitored during construction.</li></ul>
Involuntary Resettlement	<p>Land Acquisition and Resettlement (LAR)</p> <ul style="list-style-type: none"><li>- Project is classified as involuntary resettlement category A with major impact under ADB's Safeguards Policy Statement, 2009_</li><li>- The land acquisition and resettlement framework (LARF) approved in 2010 is still applicable for the tranche.</li><li>- The Land Acquisition and Resettlement Plan (LARPs) have been prepared and posted on ADB and MDF websites.</li><li>- The LARP has been implemented and compliance has been confirmed prior to the commencement of the works.</li></ul>
Indigenous Peoples	<ul style="list-style-type: none"><li>- Project is classified as category C under ADB's Safeguard Policy Statement, 2009</li><li>- The Project is not expected to affect indigenous people as defined under the ADB's Safeguards Policy Statement, 2009</li></ul>

## Stakeholder Communication, Participation, and Consultation

During Project Design	<p>See participation and consultation for the Facility</p>
During Project Implementation	<p>Project stakeholder is Municipal Development Fund of Georgia (MDF). Its responsibilities are:</p> <ul style="list-style-type: none"><li>i) Approve list of candidate subprojects to be financed under tranches ii) Recruitment of additional staff and consultants, as necessary, to prepare and manage the program; iii) Preparation of annual budget estimates for activities under the investment program for their eventual approval; iv) Procurement of consulting services, works and goods; v) Ensuring subprojects compliance with safeguards and acquisition of land; vi) Managing and supervising detailed designs and feasibility studies; vii) Preparation of the periodic financing requests (PFRs) for their submission to ADB; viii) Overseeing the implementation of the investment program; ix) Checking and guiding safeguards compliance; x) Monitoring and evaluating the implementation progress and impact; xi) Directing construction supervision; xii) Coordinating among government agencies; xiii) Overseeing the implementation of the institutional strengthening and capacity development; xiv) Consolidating and preparing periodic reports for the investment program; xv) Preparation and submission of withdrawal application (WA).</li></ul>

## Business Opportunities

Consulting Services	Consulting services contracts have been budgeted with total contract value of \$4.6 million.
	(i) Batumi coastal improvement engineering, procurement, and construction management (EPCM); awarded in November 2014.
	(ii) Capacity building for Tranche 2 technical expertise, assistance, and training on project management, safeguards, financial and procurement. After MDF reorganization in 2014, it continues to perform needs assessment and develop detailed capacity building programs.
Procurement	(iii) Development of a bridge, road, and tunnel laboratory at the Georgia Technical University_MRDI, the Road Department and MDF have consulted with the University to refine arrangements and the scope of activities. A memorandum of understanding was signed by all parties in 2014. Contract was awarded in August 2016.
	After the major change in scope, the Tbilisi-Rustavi urban road link (sections 1 and 3) was the only subproject to be implemented in Project 2. However, after Government request and minor change approved in January 2019, Marshal Gelovani Avenue and Right Bank Intersection works were added (financed under Tranche 2 savings).

Responsible ADB Officer	Tskhvitava, Avtandil
Responsible ADB Department	Central and West Asia Department
Responsible ADB Division	Georgia Resident Mission
Executing Agencies	<i>Municipal Development Fund of Georgia</i>

### Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	24 Jul 2012
Last Review Mission	-
Last PDS Update	27 Sep 2018

### Loan 2879-GEO

#### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
24 Jul 2012	24 Jul 2012	20 Aug 2012	31 Dec 2018	18 Jul 2020	07 May 2021

#### Financing Plan

#### Loan Utilization

Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	48.89	Cumulative Contract Awards			
ADB	48.89	05 Oct 2022	36.93	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	0.00	05 Oct 2022	36.93	0.00	100%

## Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	-	Satisfactory	-	Satisfactory

## Loan 2880-GEO

### Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
24 Jul 2012	24 Jul 2012	20 Aug 2012	31 Dec 2018	18 Jul 2020	07 May 2021

### Financing Plan

### Loan Utilization

	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	44.00	Cumulative Contract Awards			
ADB	16.00	05 Oct 2022	12.46	0.00	100%
Counterpart	28.00	Cumulative Disbursements			
Cofinancing	0.00	05 Oct 2022	12.46	0.00	100%

## Status of Covenants

Category	Sector	Safeguards	Social	Financial	Economic	Others
Rating	-	Satisfactory	-	Satisfactory	-	Satisfactory

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