



Project Data Sheet

Project 42414-023

Project Name	Sustainable Urban Transport Investment Program - Tranche 1	
Project Number	42414-023	
Country / Economy	Georgia	
Project Status	Closed	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan 2655-GEO: MFF - Sustainable Urban Transport Investment Program - Tranche 1	
	Asian Development Fund	US\$ 85.00 million
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth	
Drivers of Change	Gender Equity and Mainstreaming	
Sector / Subsector	Transport / Transport policies and institutional development - Urban public transport - Urban roads and traffic management	
Gender	Effective gender mainstreaming	
Description	<p>The program targets investments in urban transport and related urban transport services across main cities in Georgia. This will improve connectivity, reduce traffic congestion and promote sustainable, safe, reliable and efficient transport. Tranche 1 subprojects are as follows:</p> <ul style="list-style-type: none">(i) Tbilisi metro extension (Vazha Pshavela avenue);(ii) Anaklia Coastal Improvement; and(iii) Road improvements in Mestia.	
Project Rationale and Linkage to Country/Regional Strategy	<p>Georgia has a population of only 4.62 million but is one of the most urbanized countries in the Caucasus. Urban areas are the pillars of economic growth and account for 53% of the total population, nearly 2.5 million people. Urban areas can be divided into three groups: (i) the conurbation of Tbilisi and the adjacent city of Rustavi; (ii) the main secondary cities of Batumi, Gori, Kutaisi, and Poti; and (iii) cities with high tourism potential such as Anaklia, Borjomi, Gudauri, and Mestia. Although they differ in size, they all have common transport problems: rising traffic congestion, pollution, poor and inappropriate road infrastructure and highly inefficient urban transport systems.</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.
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Progress Toward Outcome

Closing date extended until 18 July 2020.

Implementation Progress

Description of Project Outputs	Urban transport infrastructure extended, rehabilitated and improved by MDF and relevant municipalities. Institutional and management capacity of MDF and relevant municipalities strengthened. Establishment of skilled and experienced units to oversee the management and the implementation of the program in MDF and the relevant municipalities.
Status of Implementation Progress (Outputs, Activities, and Issues)	Completed. Partially completed. Achieved. Achieved as part of Tbilisi Urban Transport Forum (2014). Completed. Completed. Completed with another donor. Under implementation with another donor. Under implementation with another donor. Completed. Achieved in 2014. Financed by local government. Ongoing. Including study tour, and visit to Tbilisi by transport experts. Ongoing (not yet due). Not yet due. Not yet due. Completed. Completed. Works completed in 2017. Ongoing. Project cancelled at Government request in 2012. Partially achieved. FS performed in 2011. Detailed design is financed under L2879/2880-GEO: SUTIP, Tranche 2. Achieved in 2014 for all subprojects prepared under SUTIP1. Works completed in 2012.
Geographical Location	Anaklia, Jvari, Mestia, Mestia, Rustavi, Tbilisi, Tsalenjikha, Zugdidi, Zugdidi

Safeguard Categories

Environment	B
Involuntary Resettlement	C
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	An environmental assessment and review framework was approved by the government on 16 April 2010. The initial environmental examinations for the captioned subprojects have been carried out. The environment classification for tranche 1 is B as its subprojects will not have significant irreversible or permanent negative environmental impacts during or after construction. MDF will require/required the contractors to refine and implement the environmental management plan (EMP) prepared in the initial environmental examination, included in the environmental assessment and review framework. EMP is/will be an integral part of construction contracts.
Involuntary Resettlement	A land acquisition and resettlement framework was approved by the government on 6 February 2010. It specifies compensation eligibility and entitlements; land acquisition and resettlement-related conditions for subproject implementation; and mechanisms for the preparation of land acquisition and resettlement plans for subprojects entailing land acquisition and resettlement. The resettlement classification for tranche 1 is C as no land acquisition and involuntarily resettlement is envisaged for the subprojects.
Indigenous Peoples	The investment program area does not include communities that may be defined as indigenous peoples under ADB's Safeguards Policy Statement (2009). The indigenous peoples' impact classification for the MFF and all tranche subprojects is C.

Stakeholder Communication, Participation, and Consultation

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

Business Opportunities

The following consulting services packages have been recruited by MDF, mainly using QCBS 90:10 method:

Consulting Services

- (i) Mestia Road Improvement Construction. The contract has been extended to cover the 12 months defect notification period which ended on 31 December 2012.
- (ii) Tbilisi Metro extension EPCM (contracted).
- (iii) Tbilisi Gorgasali Road EPCM (terminated).
- (iv) Anaklia Coastal Improvement EPCM, phases 1 and 2 (contracted, subproject financed under Tranche 1 (phase 1) and Tranche 3 (phase 2)).
- (v) Tbilisi-Rustavi Urban Road Link EPCM (contracted, subproject financed under Tranche 2 (sections 2 and 3) and Tranche 3 (section 2)).
- (vi) Tbilisi Mtkvari Bridge EPCM (terminated)
- (vii) Batumi Coastal Improvement feasibility study (completed, subproject envisaged for Tranche 4).
- (viii) Financial auditor for FY 2010-2013 (contracted).
- (ix) Financial auditor for FY 2014-2018 (contracted).

Individual consultants were already recruited, and several others still needs to be recruited at very short term to increase MDF capacity on safeguards implementation and monitoring, and conduct review of the detailed design, bidding documents, and BOQ. Once the construction is in full speed, these experts will be also requested to conduct regular random checks and ensure that design, technology, technical specifications, and cost estimates proposed and being supervised by EPCM consultants are appropriate and correct.

Procurement

The following are the status of the subprojects included in tranche 1: _

- (i) Mestia Road (\$19.3 million, inclusive of taxes) improvement project has been completed in 2011 and the defect liability period ended on 31 December 2012.
- (ii) Anaklia Coastal Improvement Phase 1 (\$9.4 million, inclusive of taxes). The revised bid evaluation report was approved by ADB on 9 May 2013, and contract awarded on 12 June 2013.
- (iii) Tbilisi Metro extension (\$37.39 million, inclusive of taxes). The civil works contract was awarded in March 2015.
- (iv) Design, Supply and Installation of Ventilator and Accessory Equipment in Tbilisi Metro. The contract has been signed in December 2018.

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

Timetable

Concept Clearance	01 Mar 2010
Fact Finding	14 Mar 2010 to 23 Mar 2010
MRM	14 May 2010
Approval	21 Jul 2010
Last Review Mission	-
PDS Creation Date	26 Jul 2010
Last PDS Update	27 Sep 2018

Loan 2655-GEO

Milestones

Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
21 Jul 2010	05 Aug 2010	29 Sep 2010	31 Dec 2016	18 Jul 2020	28 Apr 2021

Financing Plan

Loan Utilization

Total (Amount in US\$ million)		Date	ADB	Others	Net Percentage
Project Cost	100.00	Cumulative Contract Awards			
ADB	85.00	08 Aug 2022	78.74	0.00	100%
Counterpart	15.00	Cumulative Disbursements			
Cofinancing	0.00	08 Aug 2022	78.74	0.00	100%

Status of Covenants

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

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