

# INTEGRATED SAFEGUARDS DATA SHEET CONCEPT STAGE

Report No.: ISDSC62

Date ISDS Prepared/Updated: 14-Sep-2011

## I. BASIC INFORMATION

### A. Basic Project Data

<b>Country:</b>	Kazakhstan	<b>Project ID:</b>	P128050
<b>Project Name:</b>	East-West Roads: Western Europe - Western China International Transit		
<b>Task Team Leader:</b>	Jacques Bure		
<b>Estimated Appraisal Date:</b>	10-Dec-2011	<b>Estimated Board Date:</b>	13-Mar-2012
<b>Managing Unit:</b>	ECSS5	<b>Lending Instrument:</b>	Specific Investment Loan
<b>Sector:</b>	Rural and Inter-Urban Roads and Highways (90%), General transportation sector (10%)		
<b>Theme:</b>	Trade facilitation and market access (80%), Regional integration (10%), Infrastructure services for private sector development (10%)		
<b>Financing (In USD Million)</b>			
<b>Financing Source</b>			<b>Amount</b>
Borrower			300.00
International Bank for Reconstruction and Development			1200.00
Financing Gap			0.00
Total			1500.00
<b>Environmental Category:</b>	A - Full Assessment		
<b>Is this a Repeater project?</b>	No		

### B. Project Objectives

The Project Development Objective is to increase transport efficiency on the road section between Almaty and Khorgos and to provide a better and sustainable level of service to all road users. The project objective would be achieved by improving the quality and capacity of the road section, and improving operation and maintenance of the infrastructure.

While transport efficiency through the reduction of travel time and cost will largely improve freight and passenger movement along the trade corridor, trade facilitation measures behind and at-the border are at least equally important. According to measurements of border processing time (regularly collected by ADB), border crossing activities such as customs clearance, waiting time in queues, and loading/unloading takes about 4 to 9 hours to complete at the Khorgos border crossing point (BCP). According to ADB, delays at the Kazakh side of Khorgos increased in 2010. Long queues are frequently observed at this BCP, which reported an average waiting time in queues of 6 hours with customs clearance (for transit shipment) amounting to 2-3 hours. The manual process of transferring cargo means low productivity, leading to long average loading/unloading time of 1-2 hours. The situation at the Chinese side of Khorgos is reportedly similar.

The Government's program is currently addressing these issues with support from others, including ADB. In addition, the Government of Kazakhstan and China signed an agreement in July 2005 to develop jointly Khorgos, including the development of the Khorgos International Cooperation Center which is expected to provide facilities to facilitate trade, showcase exhibits, storage and distribution, intermodal facilities as well as provide commercial and financial services. Counterparts are confident that those activities will improve the border crossing at Khorgos, allowing the full impact the Almaty # Khorgos to materialize on time. Counterparts do not ask additional support from the Bank for improvement of facilitation at the border. Nonetheless, given the importance of these measures on achieving the Project's Development Objective, funds will be earmarked under the Project to potentially cover costs of trade facilitation activities. If at the time of the mid-term review transit time still remain a constraint, the use of funds will be triggered.

### C. Project Description

The Project covers a road section of about 305 km with about 60% of the alignment requiring new road construction, with the remainder being the upgrade of an existing two-lane highway to four lane. The Project will be a Class I (4-lane) highway between Almaty and Khorgos with alignment entirely within Almaty oblast. The project is being prepared based on three different road sections of roughly equal length:

Section 1 (024-126 km) starts from about 20 km NNE from the city centre of Almaty in suburban Almaty, runs in a north-easterly direction paralleling the foothill of the Tien Shan mountain range towards the Shelek river which lies just east of a major settlement of the same name. This section consists primarily of new construction to bypass towns and villages and impacts agricultural areas, including some highly-productive irrigated land. This green field section, close to the largest city in Kazakhstan, and with an expected traffic above 10,000 vehicles per day, may be tolled to recoup part of the investment and to introduce concession for operation and maintenance of 4 lane road infrastructure.

Section 2 (126-268 km) continues NE from the Shelek river, passes north of the Charyn National Park and continues through arid steppe or semi-desert rangeland ending to the south of River Ili.

Section 3 (268-360 km) crosses the River Ili and turns off from the existing route A351 towards the flood plain of the Khorgos River to the Chinese border. The bulk of this section runs through dunes, marshes, rangeland and small, seasonal watercourses.

#### Project Components

Component 1 (US\$1,475 million): The component will finance the upgrade and construction of road sections between Almaty and Khorgos, estimated at a total cost of US\$1,450 million equivalent. This component will allow the construction of about 305 km of road sections between Almaty and Khorgos based on arrangements identical to the ones already in place under the ongoing SWRP financed by the World Bank. The component includes consulting services for supervision of civil works. Land acquisition and road design costs will be financed through the Borrower's own funds.

Component 2 (US\$ 15 million): The component will finance the preparation by the MoTC of two models for operation and maintenance of the entire 4 lane highway network of Kazakhstan. The first model will rely on Kazakhavtodor, a government-owned enterprise specializing in routine maintenance, to operate and maintain 4 lane highways. The second model will rely on the private sector doing the same. Kazakhavtodor is responsible for road maintenance since December 2000, but it is not structured and equipped to operate and maintain 4 lane highways and deliver a proper service. As for the private sector, it has not yet entered operation and maintenance operations on 4 lane highways in Kazakhstan. An advisory service will be recruited to prepare the two schemes. The first scheme will prepare for the operation and maintenance by Kazakhavtodor of the portion of the Almaty Khorgos East of Shelek (sections 2 and 3 above), including the financing of necessary equipment and facilities. The second one will prepare a concession through tolling of the section of the road between Almaty and Shelek (section 1 above). Both schemes will contain provisions ensuring that Kazakhavtodor and the private sector has sufficient incentive to keep the road up to an adequate level of service and maintain the infrastructure in good condition to limit depreciation.

Component 3 (US\$5 million): The component earmarks unallocated funds for financing border crossing investment and technical assistance for institutional development in border crossing and customs processing at Khorgos. Those funds will be activated at Mid Term Review, would the average border crossing time at Khorgos for freight remains more than 6 hours.

Component 4: Project Management (US\$5 million): The component will finance Project Management Consultants (PMC) which will assist the CR on management of all activities associated with the project, including supervision of all safeguards and fiduciary aspects. This component also covers TA to support project management capacity of the CR, including training for financial management, procurement, project supervision, and project financial audits. Those arrangements are identical to the ones in place under the ongoing SWRP.

#### D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

The Project will cover a 305 km road between Almaty and Khorgos (the border with China East of Almaty) partly through an existing 340km 2 lane road. The project will expand the road to 4 lane, partly within an existing right of way (about 40%), partly with green field construction (about 60%). It thus has all physical characteristics of a large linear infrastructure project, with significant spatial extension, visible impact on landscape, biosphere and land use patterns, strong dependence of its impacts on topography, climate, natural conditions and anthropogenic activity, and in the specific case of the Almaty-Khorgos corridor, the crossing of a variety of land forms, land use types and (micro)climatic zones.

The project alignment lies entirely within Almaty Oblast. It covers 5 Rayons: Ili, Talgar, Enbekshikazakh, Uighur and Panfilov. The project is being prepared based on three different sections of roughly equal length which, are likely to translate into construction lots during implementation. They are subsequently described, including features and information relevant for safeguards classification and the design of safeguards instruments:

Section 1 (024-126 km) starts about 20 km NNE from the city centre of Almaty (the chainage refers to a reference point in Almaty). The first 10 km run through what can still be seen as suburban zone of Almaty, characterized by a dense network of infrastructure (roads, power lines, railroad) and numerous satellite settlements, with intense agricultural land use in non-built-up areas. From the village of Baiserke the alignment then heads steadily in north-easterly direction, about 2-5 km north and parallel to the existing main traffic line, the A351 (#Kuldzhinskiy Trakt#). About 80% of the alignment runs through lands which are under intense agricultural use (with minor animal husbandry) and are mostly irrigated. Irrigation water is derived from the nearby Tian Shan range, whose foothills run parallel to the alignment about 8-10 km to the South. The alignment crosses between 10-15 seasonal rivers, which run dry in summer, but can carry considerable water and sediment loads in spring. Most of them are used for gravel extraction. About 15 km to the north, and thus downstream of, and topographically at a lower elevation than the project alignment, lies the Kapchagai Reservoir formed by damming Ili River. Ili then continues to flow NW into Lake Balkash, which is the second largest lake in Kazakhstan and the receptacle for the entire surface water network in the project area.

From about 100 to 120km the alignment runs through more arid rangeland, which is mostly covered by brush and grass and used mainly as pastureland for animals. The end of the first section is defined by river Shelek which lies just east of a major settlement of the same name. River Shelek appears to be a perennial watercourse, albeit with large fluctuations in discharge rate. It is under intense use for gravel extraction in the project area. In this section (about 100-126 km) the new alignment will use the existing right of way. The existing bridge will be reconstructed and a new bridge built to accommodate two additional traffic lanes.

As a result, in this first section close to Almaty, there will be two roads: the new 4 lane running in parallel to the existing road, bypassing many settlements, and the existing road that will be discharged of all the transit traffic and that will still be the life line road for the settlements. Overall, about 85% of the road under Section One would be constructed on a new alignment, the remainder following the existing route A351.

Section 2 (126-268 km) continues NE from river Shelek, while A351 turns off due east, running roughly parallel to the project alignment at a distance of about 20-25 km to the southeast. The alignment follows a secondary road, which is a narrow asphalted road for the first 25-30 km and then turns into a gravel road for about 70-80 km. This part of the alignment was projected to be upgraded to a transit highway in the 1980s, but construction did not proceed beyond a gravel platform. Alignment adjustments and new sections are planned in 3 parts of this section: (i) about 5 km at the start of the section (new alignment crossing agricultural lands), (ii) about 2-3 km at 15 km from the section start, where the new alignment will cross a wetlands area, and (iii) about 20 km stretch towards the end of the section, where the new section will be routed between an alluvial fan with irrigated agriculture, and a semi-desert type area.

At about km 250-255 the road alignment will pass about 10-15 km to the north of the Charyn National Park, an ancient woodland which has survived in a narrow, sheltered canyon along a 25 km stretch of Charyn River. The park's southern boundary lies only several hundred meters north of the existing highway A351. This forest is one of the last remnants of a much larger forest which once stretched along the foothills of the Tian Shan Mountains after the last Ice Age. It is the last location in Central Asia and one of the few places in the world which still supports a large

population of the endangered Sogdian ash tree.

Following the alignment to NE directions there is a visible trend towards a more arid climate, thus the bulk of the alignment of this section would run through arid steppe or semi-desert type rangeland, with no perennial rivers, no wetlands (except the aforementioned) and few temporal rivers (located in the NE of the section, at ca. km 230-268). Agricultural lands will be affected only along ca. 25% of the section. Ca. 80% of section 2 will run along existing, albeit much smaller and lower capacity roads. The section ends about 5 km South of River Ili, where the project alignment rejoins route A351.

Section 3 (268-360 km) runs through a variety of landscapes and land use types: 5 km after its start river Ili is crossed via a 700 m long bridge. River Ili is the largest river of the entire project area and the main tributary to Lake Balkash. Several km before and after the crossing of Ili River the project alignment would follow the existing route A351, and a new bridge would be built parallel to the existing one to accommodate 2 additional lanes. A few km after the river crossing the projected road would again turn off the existing route A351 and run on a new alignment for the rest of the project. The bulk of the section would run through dunes, marshes and rangeland, with some sand dunes and occasional small, seasonal watercourses. At about 290-320 km there is a stretch of land used for irrigated agriculture with a few small settlements. The closest is bypassed at a distance of about 4 km. The last section of the road (320-355 km) runs parallel to and through a large field of sand dunes with sparse vegetation.

The last 5 km cross the broad flood plane of Khorgos River to the Chinese border, where a new border-crossing is planned. This development has been started some years ago and has advanced considerably on the Chinese side of the border. It will serve as dry port for both road and railroad and is in itself a project considerable size. Although the two projects are not functionally linked in Bank policy terms, it is possible that works undertaken in close physical proximity and in a similar time frame could pose reputational risks for the Bank. Accordingly, the team will undertake a screening analysis of the environmental and social due diligence processes undertaken by the investor. This has already been included in TOR developed by the team for updating and upgrading the existing ESIA's.

Most of the section is semi-arid and is under sporadic, open-access use for animal husbandry (mainly sheep, goats and cows). Roadworks will not significantly reduce the area of land for such usage. During project preparation, designs will be reviewed to determine whether, or where, underpasses or other measures may be necessary to allow for safe and effective access, and confirmation will be obtained from rayon akimats that remaining land areas will continue to be available on an open access basis. The district centre, Zharkent, lies at a distance of about 5 km East from the alignment. In the vicinity of the border the development of a free trade zone has started in 2006, involving the regulation of Khorgos river and the construction of a dry port facility on the Kazakh side of the border.

#### **E. Borrowers Institutional Capacity for Safeguard Policies**

The implementing agency will be the Committee for Roads (CR) under the Ministry of Transport and Communications (MoTC) of Kazakhstan, which has been working with the World Bank since 2006 on a number of projects, including the ongoing South West Roads Project (SWRP), an investment in over 1,000 km of road reconstruction and new construction. At the onset of project development institutional capacities in the CR were very poor and substantial capacity building and training was required to create an acceptable level of due diligence in the project. The SWRP project team has been supervising project implementation for 2 years using a performance assessment tool specifically developed for such large infrastructure projects. The results so far show generally acceptable environmental and resettlement performance across much of the 1,076 km project alignment, though some localized but significant problems with land acquisition continue to occur. Weak coordination between CR and local administrations (akimats) are a recurring source of problems. Overall, adequate planning and supervision processes are in place and could be used for the preparation and implementation of the new project. Additional measures will be taken to strengthen akimat awareness of project agreements with the Bank, and to confirm akimat commitment to implement all agreed measures.

The Borrower's implementing agency has already commissioned independent, specialized Consultants to produce ESIA's for all three lots as part of the feasibility study of the proposed Project. The ESIA reports were reviewed by the team and found to be a good factual description of physical and biological baseline conditions in the project area, of the project features and impacts. The sections on mitigation measures appear too narrow and focused on the construction period, and comprehensive EMPs are missing. They ESIA reports will be updated and upgraded before appraisal to comply with international good practice and World Bank standards.

The CR will be encouraged to rely on experience and expertise developed under the SWRP which has been under implementation since 2009. This will likely include the involvement of the Project Management Consultant's (PMC) environmental specialists to support the Borrower and design engineers with the upgrading of the ESIA reports and the Bank specific safeguards preparation process.

**Institutional Framework:** The current institutional capacity of the borrower to implement the described measures relies on four main entities currently in charge of country based environmental and social safeguards. Those entities are responsible for: (a) environment; (b) water resources; (c) forestry and hunting; and (d) land management. Construction works are supervised by the Ministry for Environmental Protection (MoEP) and its subordinate agencies. Local units of the MoEP, Environmental Expertise and Nature Use Regulation Department are structured into thematic groups, which at Oblast level include among others (i) environmental expertise, (ii) permitting, (iii) supervision and monitoring, (iv) environmental laboratories. At the Rayon level each of these thematic units is represented by one inspector.

Projects and operations where negative impacts may occur are usually inspected once per year and carried out by the MoEP staff and/or Oblast and Rayon representatives. During construction works Oblast and Rayon level staff monitor the sites and play a key role in commissioning the finalized project, thereby checking environmental compliance with design and final implementation of all required environmental restoration and recultivation measures. The MoEP regional staff usually contacts the project developers, the contractor's environmental staff and the unit on site, which is a mandatory requirement (called "production control" under the Kazakh legislation).

The EIA process in Kazakhstan is described in the Environmental code (2007) and a set of detailed implementation instructions. It foresees 4 stages, which correlate with the respective design activities and range from (i) a desk study for pre-feasibility level, (ii) a preliminary EIA and (iii) a detailed ("full") EIA for the detailed design stage and (iv) an EMP as separate section of the design documentation. In this respect the EIA process is both logical and deemed compatible with international good practice.

The borrower has prepared ESIA reports for all three alignment sections. These were reviewed by the Bank team, a gap analysis carried out and issues to be rectified and improved identified. The team, the PMC from SWRP and a qualified Consultant will assist the Borrower to address the identified gaps and upgrade the ESIA's to a quality acceptable to the Bank before project appraisal.

Virtually all of the land required for the project has already been acquired, except for a small number of outstanding cases pending complaint resolution, identification of missing owners, or resolution of other issues. In lieu of a Resettlement Action Plan that would normally be used to guide future land acquisition, the CR will prepare a resettlement implementation report, reviewing standards and methods used in accomplishing past land acquisition and identifying any necessary retroactive measures necessary to bring the process into conformity with OP 4.12 requirements. Bank approval of the resettlement implementation report, will be a requirement for project appraisal. The resettlement implementation report subsequently will be subject to disclosure in the project area.

Land acquisition appears to have been conducted in full compliance with domestic regulations and standards. Based on preliminary discussions with Almaty Oblast officials, it seems likely that some remedial measures may be necessary, including support for any vulnerable persons who have been affected (believed to be zero), transitional assistance for those required to physically relocate (about 22 businesses but no residents), and some additional support for those deemed significantly affected (e.g., losing more than 10% of their productive land).

The resettlement implementation report also will review practical implications, if any, of a March 2011 change of regulations that shifted responsibility for land acquisition to local-level leadership (akimats). The regulatory change initially caused some administrative confusion and delay in the original SWRP. It was determined, however, that the CR would retain overall administrative authority for land acquisition for SWRP as the project was already under implementation. It is not yet clear whether the regulatory shift would apply to EWRP and, if so, what the practical implications would be, given that land acquisition is already nearly complete. As relevant, any significant changes in institutional arrangements applicable to completion of land acquisition and delivery of compensation or other assistance will be determined and appropriate adjustments will be described in the resettlement implementation report. In any case, Almaty Oblast officials indicated regulatory changes are unlikely to cause any additional problems for affected persons, as local leaders remain subject to higher-level regulations and oversight. Additionally, as akimats would be involved in many aspects of land acquisition in either scenario, the Bank team will take steps to ensure that akimats are aware of any special requirements that would differ from normal domestic practice, and that akimats confirm their commitment to implementing any special requirements that are agreed between the Bank and CR.

#### **F. Environmental and Social Safeguards Specialists on the Team**

Daniel R. Gibson (ECSSOQ)

Wolfhart Pohl (ECSS3)

## **II. SAFEGUARD POLICIES THAT MIGHT APPLY**

Safeguard Policies Triggered	Yes	No	TBD	Explanation
Environmental Assessment OP/BP 4.01	X			<p>A safeguards category of A is proposed. This is justified by the extensive new road sections planned under the project. The alignment will run through a variety of areas with different safeguards implications: (i) in zones of intense agricultural use existing irrigation systems will have to be preserved, (ii) where the road would cross rangeland under use for animal husbandry animal underpasses will have to be planned to guarantee the safety of drivers and animals, (iii) in sections through fragile habitats will have to be protected.</p> <p>There may be cultural sites, human activities or environmentally sensitive habitats along the proposed corridor, such as patches of forest, wetlands, river ecosystems or fragile habitats in desert / semi-desert areas, which may warrant an adjustment or re-routing of the road alignment. This will be presented in the ESIA sections on the description of baseline conditions, potential impacts and analysis of project alternatives, which will review the criteria for alignment selection, review if environmentally friendlier options can be envisaged and will also consider the option of not executing the project.</p> <p>The main envisaged negative impacts during construction is the operation of borrow areas, generation of waste (construction materials, spent consumables, household waste and wastewater from camps), excessive land use, topsoil destruction and erosion. There is also a potential impact on groundwater and surface water from excessive turbidity and siltation, washing equipment in rivers (e.g. cement trucks) and accidental spills involving fuels and lubricants. During operation of the road storm drainage management, soils, ground and surface water contamination by heavy metals, soot and organic compounds (e.g. PAH), noise, dust, air pollution will be the main issues. Moreover, there is a potential risk of destruction or disruption of natural habitats and ecosystems by poor construction management.</p> <p>The Borrower has already prepared one ESIA report for every alignment section (i.e. a total of 3 reports) which were reviewed by the Bank team. They were found to contain an adequate project description and collection of baseline data, the major elements of impact analysis and useful basis for the planning of mitigation measures. These studies will, before appraisal, updated and upgraded to meet Bank standards and international good practice. EMPs will be elaborated to a level of detail commensurate with the design stage and integrated into bidding and contract documents provide clear guidance and contractual obligations for environmental due diligence in further project design and implementation.</p>
Natural Habitats OP/BP 4.04			X	<p>The road alignment will pass ca. 10 km to the North of the Charyn National Park, which is a 25 km stretch of protected forest along the Charyn river. The forest will not be affected by the project, as the alignment would run at a distance of ca. 10 km from the park boundary, North of Charyn town, which would #buffer# between road and national park. The current route A351 lies only several 100 m South of the park, thus positive effects could be expected by relocating the main traffic flows away from the park.</p> <p>No other protected areas or national parks are sufficiently close to the project area to be at risk of negative impacts. According to the GIS database on the RAMSAR website none of the sites mapped in Kazakhstan will be affected by the project area.</p>
Forests OP/BP 4.36		X		Besides the national forest described under OP4.04 only small patches of mostly planted forest occur in the Western section of the project area. No significant impacts on forests are expected and the policy thus not triggered.
Pest Management OP 4.09		X		The use of pesticides or herbicides is not foreseen under the project. The policy is not triggered.
Physical Cultural Resources OP/BP 4.11			X	Kazakhstan is a country rich in cultural heritage, especially along the historic silk road corridor. During project preparation a survey of PCR was carried out and an inventory of known PCR produced,

<sup>1</sup> 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.

Safeguard Policies Triggered	Yes	No	TBD	Explanation
				which might be affected by the project. A PCR management plan will be included into the EMP, as well as a chance find procedure for PCR encountered during construction, which would not have been identified during the design phase.
Indigenous Peoples OP/BP 4.10		X		No indigenous peoples live in the project area or will directly or indirectly be affected by the project.
Involuntary Resettlement OP/BP 4.12	X			<p>Road works require acquisition of 2,883 hectares of land from 769 plots. Of this amount 94 plots, or 1,866 hectares of land, was already state-owned (including open access range land periodically used for livestock grazing). The remaining 1,018 hectares, from 675 plots has been acquired, or is in the process of being acquired, from private owners or leaseholders, including one hectare zoned for commercial use and four hectares zoned for residential use. A total of 22 commercial enterprises are affected. No residential demolition is required. According to Oblast officials, no informal or illegal users or occupants exist within project sites. This will be reviewed during the course of the resettlement implementation report.</p> <p>Virtually all of the necessary land has already been acquired and compensation based on domestic regulations and standards has been paid. About 80 cases remain outstanding for various reasons (e.g., missing owners, contested compensation, ownership challenges). The status of these cases will be updated in the resettlement implementation report, and any cases that remain unresolved at appraisal will be subject to follow-up up as part of project monitoring and supervision.</p> <p>Based on prior experience in SWRP, it is highly likely that the resettlement implementation report will establish gaps between domestic practice and agreed RPF standards. The report will identify gaps and provide retroactive remedial measures as necessary to bring EWRP land acquisition into full consistency with RPF requirements.</p> <p>Impacts generally are expected to be moderate, as much of the alignment transverses open scrubland or agricultural fields relatively distant from commerce or residential areas. Compensation rates generally reflect differences in land value, as assessors attach higher valuation where agricultural lands are more fertile or improved.</p>
Safety of Dams OP/BP 4.37		X		No dam safety issues were found during the site appraisal. The only dams near the project area are low dykes for the containment of rivers and irrigation channels, as well as flood protection works on river banks, which pose no safety risk. The Kapchagai reservoir, which has a substantial dam structure, is located downstream and topographically below the road alignment.
Projects on International Waters OP/BP 7.50		X		No international waterways will be affected by the project. The impact on the hydrological regime and flow pattern of rivers crossed by bridges will be insignificant, as their hydrological flow pattern will remain entirely unchanged.. Moreover the project area lies in the basin of Lake Balkash, an endorheic (closed) basin shared by Kazakhstan (as downstream recipient) and China, with a small part in Kyrgyzstan. The basin drains into the lake via seven rivers, the major one being Ili River, which brings the majority of the riparian inflow. As China lies upstream of the project and there are no hydrological impacts associated with the project there are no grounds to trigger OP7.50.
Projects in Disputed Areas OP/BP 7.60		X		The project is not located in or near disputed areas.

### III. SAFEGUARD PREPARATION PLAN

**A. Tentative target date for preparing the PAD Stage ISDS:** 15-Nov-2011

**B. Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing<sup>1</sup> should be specified in the PAD-stage ISDS:**

<sup>1</sup> 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.

The team has undertaken a review of the ESIA reports already prepared by the Borrower, gauge the quality of the existing substance, identifying the main gaps are and defining the actions required to close them. The team will in further sequence prepare TOR for a Consultancy to bring the ESIA's into a form and standard that can be presented to Bank safeguards for review and approval. This will likely involve (i) review of the Russian documents, (ii) addressing identified gaps, (iii) reformatting and preparation of executive summaries, (iv) translation into English for submission to safeguards coordinator. A key activity will be the production of acceptable EMPs and a meaningful analysis of alternatives.

The goal is to have 3 ESIA's for the 3 project sections properly formatted, with consistent quality, containing a baseline analysis (incl. special vulnerabilities), a clear impact analysis, a comprehensive discussion of mitigation measures, an analysis of alternative project design options, and a meaningful EMP and monitoring plan, by early November 2011 (allowing a presentation to the Board of the project in March 2012)

As will be a category A project two sets of consultations with affected stakeholders need to be carried out. As the design process and corresponding safeguards studies have already far progressed the team seeks guidance on how to organize a meaningful first set of consultations, which per OP4.01 would normally be carried out for the ESIA TOR.

Based on initial discussions with Almaty Oblast officials, a draft resettlement implementation report is to be prepared for Bank review by November 1, 2011. In lieu of a RAP, an agreed resettlement implementation report will be required by the Bank for project appraisal. If any subsequent design changes require land acquisition in the future, a separate RAP will be prepared, and will be subject to Bank acceptance prior to initiation of works in that area.

#### IV. APPROVALS

<i>Signed and submitted by:</i>		
Task Team Leader:	Name: Jacques Bure	Date: 28-Sep-2011
<i>Approved By:</i>		
Regional Safeguards Coordinator:	Name: Agnes I. Kiss (RSA)	Date: 29-Sep-2011
Comments:		
Sector Manager:	Name: Henry G. R. Kerali (SM)	Date: 05-Oct-2011
Comments:		