

## Kakheti Regional Roads Improvement Project

### Key Dates:

**Approved :** November 10, 2009

**Effective:** December 8, 2009

**Closing:** November 3, 2013

### Financing in million US Dollars:

Financier	Financing	Disbursed*	Undisbursed
IBRD Loan	30.00	18.00	12.00
Government of Georgia	7.50		
<b>Total</b>	<b>37.50</b>	<b>18.00</b>	<b>12.00</b>

**\*World Bank Disbursements as of September 23, 2010.**

*Note: Disbursements may differ from financing due to exchange rate fluctuations at the time of disbursement.*



Roads are the lifeline of the economic activities of most Georgians, and even in the main foreign trade road corridors, local movements represent up to 90% of the traffic. In the Kakheti region the main activities are wine industry and tourism. A reliable transport network is essential to stimulate both of these activities as well as to reduce poverty in rural areas.

**The Project Development Objective** is to reduce transport costs and improve access and traffic safety for Kakheti regional roads. The project entails (a) rehabilitation of 65 km Vaziani-Gombori-Telavi (VGT) road, mainly along its existing alignment; (b) implement traffic safety improvement measures on the VGT road and along the existing alignment of Vaziani-Sagarejo-Bakurtsikhe-Gurjaani-Telavi road; and (c) strengthen the operational effectiveness of the Sagarejo Regional Office of the Roads Department. As a result of this project travel time on the above section will be reduced from 120 to 55 minutes, and vehicle operating costs will be reduced by about 30% and road safety hazards are also supposed to decrease.

### Results achieved to date:

- Civil Works for the rehabilitation of Vaziani Gombori Telavi Road are at an advanced stage – about 40 kilometers have been completed.
- Technical assistance activities mostly related to road safety and the procurement of advisory services have started.

### Key Partners:

The Bank team works closely with (i) the Ministry of Regional Development and Infrastructure of Georgia (MoRDI), responsible for policy setting, (ii) Roads Department under the MoRDI which is responsible for implementing the project; and (iii) Transport Reform and Rehabilitation Center (TRRC) responsible for Financial Management and Disbursement functions within the Project.

Key Development Partners include JICA, ADB, MCC, EC, IBRD, EIB, Kuwait Fund which have been financing (or plan to finance) different sections of Georgia's road network, and with which the World Bank team maintains regular interaction through the donor coordination meetings.