

Second East-West Highway Improvement Project

Key Dates:

Approved : December 18, 2007

Effective: March 10, 2008

Closing: February 29, 2012

Financing in million US Dollars:

<i>Financier</i>	<i>Financing</i>	<i>Disbursed*</i>	<i>Undisbursed</i>
IDA Credit	55.00	51.80	2.40
Government of Georgia	55.00		
Total	110.00	51.80	2.40

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

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



This is a second in the series of East-West Highway Improvement projects in Georgia Portfolio.

The Project Development Objectives are to (i) contribute to the gradual reduction of road transport costs and improve ease of transit, and safety along the central part of Georgia's East-West corridor, through upgrading a segment of the East-West Highway from Tbilisi to Rikoti; and (ii) to strengthen the capacity of the government agencies (and particularly Roads Department) to develop and implement a traffic safety program. Specifically, the Project envisages upgrade of the Igoeti to Sveneti section of the E60 Highway from two lanes to four lanes (24 km section), rehabilitation of existing 2 lanes, and construction of 4 bridges.

Results achieved to date:

- Construction of the East-West highway is still underway – 24 kilometer section of the E60 Highway has been constructed/rehabilitated, though several sections need further improvements.
- Transit time in the direction from Igoeti to Sveneti has reached target values (reduced from 19 minutes to 12 minutes) but the opposite direction is still partly under construction. The government will update the vehicle operating costs in 2010 in order to fully assess outcomes of the initial activity.
- The Government has adopted the National Road Safety Strategy and the Action Plan.

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 whom the World Bank team maintains regular interaction through the donor coordination meetings.