

IPN REQUEST RQ 10/04

April 29, 2010

NOTICE OF REGISTRATION

Re: Request for Inspection

**REPUBLIC OF KAZAKHSTAN: South-West Roads: Western Europe-Western China
International Transit Corridor (CAREC-1b & 6b) (IBRD Loan No. 7681-KZ)**

On February 5, 2010, the Inspection Panel (the “Panel”) received a Request for Inspection related to the Kazakhstan – South-West Roads: Western Europe-Western China International Transit Corridor Project (the “Project”). This initial request was submitted by two residents of Birlik settlement, Karashik rural District, city of Turkestan, South Kazakhstan Oblast,¹ Republic of Kazakhstan, and was joined by separate submissions from over 45 households in the same settlement. This Request for Inspection was copied to Bank management. On February 28, 2010, the Panel received correspondence, which was also copied to management, from some of the signatories of the initial Request “taking back” their request.²

On March 10, April 8, and April 24, 2010, the Panel received written communications from individuals who had separately joined the initial request.³ These individuals are residing in the city of Turkestan. They referred to the same issues raised by the initial request for inspection, as well as some interconnected issues related to the city of Turkestan, and requested that the Panel conduct an investigation into these matters. They also asked the Panel to keep their identities and contact information confidential. These communications, incorporating and supplementing the claims in the initial Request, constitute the Request for Inspection (the “Request”) to the Panel, which is the subject of this registration. The Request focuses on the segment of the Project passing through the city of Turkestan, including the Birlik settlement.

¹ An oblast is an administrative and territorial division in Russia and the former USSR.

² The Panel received this communication while it was translating the Request and ensuring accuracy of the translation, as per paragraph 8 of its Operating Procedures, after several days of World Bank business closure in Washington DC.

³ As provided for in Paragraph 19 of the Panel’s Operating Procedures, at the request of the Panel the Requesters supplied the Panel with additional information.

The Project

The Project's development objectives are to increase transport efficiency on the road sections between Aktobe/Kyzylorda Oblast border and Shymkent, and to improve road management and traffic safety in Kazakhstan.⁴ The Project has five components: 1) upgrade and reconstruct road sections along the corridor within Kyzylorda Oblast, excluding Kyzylorda bypass; 2) upgrade and reconstruct road sections along the corridor within South Kazakhstan Oblast from Kyzylorda Oblast border to Shymkent, including the bypasses to Kyzylorda and Shymkent; 3) financing of Project Management Consultants (PMC) to assist the Committee for Roads with the management of project implementation; 4) institutional development and preparation of action plans to improve road safety and road services; and 5) consulting services for supervision of civil works under the first two components. The IBRD loan amount is US\$2.125 billion. The Loan was approved on April 30, 2009, and is scheduled to close on December 31, 2013.

IBRD's financing covers 1,062 km of road sections along the Western Europe to Western China Corridor. Other sections of the Corridor within Kazakhstan are financed by the Government of Kazakhstan, the Asian Development Bank, Islamic Development Bank, and the European Bank for Reconstruction and Development.

The Request

According to the Request, the Project includes financing a road segment which cuts across Birlik settlement where they reside. The Request states that, as designed (i.e., in very close proximity to their settlement), this segment will contribute to the following adverse effects: i) harm to the health of the residents of the settlement from fumes, pollution and noise); ii) harm to the environment, in particular from accidents and spills from trucks transporting flammable and explosive materials; iii) risks to the safety of children crossing the road daily to go to school and return home as a result of the intensification of traffic volume and speed; and, iv) possible impact on houses and related involuntary resettlement.

The Requesters also claim that the transit traffic flow in the heart of the city of Turkestan will increase significantly in the future and "*will become an environmental disaster for its residents*". They add that "*Turkestan is viewed as the second Mecca for Muslims around the world. The city's potential unsafe life and health conditions for Muslim pilgrims will result in the irreversible damage to the budget of the city, as well as to the income of urban residents benefiting from tourism.*"

In one of their communications, the Requesters informed the Panel that local officials promised to: i) plant trees and vegetation between their houses and the road; ii) provide a school-bus service to take their children to and from school; and iii) build a new service road outside the city of Turkestan within a period of three to five years. These promises led some of the original signatories to "take back" their initial Request. The Requesters however are concerned that these promises are not referred to in Project documents.

⁴ Project Appraisal Document (PAD), p. ii.

Management Actions

On March 2, 2010, Management contacted the Panel stating that it had just completed a supervision mission in the project area and had met with affected people. According to Management, significant progress had been made in addressing specific concerns raised in the initial request on resettlement issues and environmental impacts. Management confirmed that the Committee for Roads⁵ had engaged in discussions with the affected people and presented design alternatives that would alleviate their concerns and also confirmed that the Ministry of Transport and Communications had issued instructions to its local offices to suspend all resettlement activities until such time when the Bank is satisfied with the Resettlement Action Plans. Finally, Management confirmed that the Committee for Roads also committed to continue the ongoing dialogue with affected people on all issues related to land acquisition and environmental management along the project road.

In later communications and at a meeting with the Panel, Management informed that the Committee for Roads had conducted a number of consultation meetings along the project road in both Kyzylorda Oblast and in South Kazakhstan Oblast during preparation of the project and subsequently in 2009 and most recently in February 2010. This most recent meeting was with residents of Birlik settlement who had previously expressed concern about the planned alignment/location for the proposed road bypass to Turkestan city. According to Management, the Committee for Roads agreed, based on this consultation and other meetings, to implement a number of measures in the project design to incorporate requests from local residents.

The agreed measures include the following specific actions: a) moving the original road alignment further away from the houses and closer to the railway line in order to increase the distance from the settlements to the edge of the road, with a secondary access road to provide additional access to the affected properties; b) the installation of noise/dust screening barriers and planting of trees between the houses in the settlement and the road; c) the construction of an underpass bridge, in addition to a traffic signal controlled pedestrian crossing, to allow people and cattle to cross safely under the proposed road in Birlik settlement; d) the provision of a school-bus service by local authorities with effect from the beginning of the school year in September 2010; and, e) the establishment of a tripartite advisory Steering Committee composed of the Committee for Roads, the Project Management Consultant, and civil society to monitor the implementation of the Project. Management informed the Panel, however, that the agreement did not include any measures under the current Project to provide for the construction of a bypass road outside the city of Turkestan when the traffic going through the city of Turkestan intensifies in the future.

The Requesters appreciate such measures and the positive intentions they reflect. They noted, however, that these measures do not address their concerns about the impact of projected traffic increase on the city of Turkestan. In this regard, they state that simple calculations show that the future traffic on the projected road will increase 3.5 times in two years. Thus, they have reiterated their claims of policy violations in the preparation and design of the Project and allegations of potential harm, and have asked the Panel to conduct an investigation of the matters alleged in the Request.

⁵ The Project's implementing unit.

The above claims may constitute, *inter alia*, non-compliance by the Bank with various provisions of the following Operational Policies and Procedures:

OP/BP 4.01	Environmental Assessment
OP/BP 4.11	Physical Cultural Resources
OP/BP 4.12	Involuntary Resettlement
OP/BP 13.05	Project Supervision
World Bank Policy on Disclosure of Information dated June 2002	

In accordance with paragraph 17 of the Panel's Operating Procedures (the "Operating Procedures"), I am notifying you that I have, on April 29, 2010, which is also the date of the dispatch of this notice, registered this Request in the Inspection Panel Register.

Please note that the Panel's registration is an administrative procedure and it implies no judgment whatsoever concerning the merits of a Request for Inspection.

As provided in paragraph 18 of the Resolution that established the Panel (the "Resolution"), paragraphs 2 and 8 of the "*Conclusions of the Board's Second Review of the Inspection Panel*" (the "1999 Clarifications"), and paragraph 18(d) of the Operating Procedures, Bank Management must provide the Panel, no later than May 28, 2010 with written evidence that it has complied, or intends to comply, with the Bank's relevant policies and procedures in relation to the above-referenced Project. The subject matter that Management must deal with in a response to the Request is set out in paragraphs 3 and 4 of the 1999 Clarifications.

After receiving the Management response, the Panel will, as outlined in the 1999 Clarifications and as provided by paragraph 19 of the Resolution, "*determine whether the Request meets the eligibility criteria set out in paragraphs 12 to 14 [of the Resolution] and shall make a recommendation to the Executive Directors as to whether the matter should be investigated.*"

The Request has been assigned IPN Request Number RQ 10/04.

Yours sincerely,

Roberto Lenton
Chairperson

Mr. Robert B. Zoellick
President
International Bank for Reconstruction and Development

The Executive Directors and Alternates