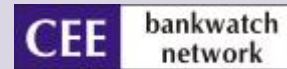


Tbilisi Railway Bypass project, Georgia

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CEE Bankwatch Network's mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

Summary

Tbilisi Railway Bypass Project supported by the EBRD and EIB aims to improve efficiency and safety of rail operations within the city of Tbilisi. However, the project envisages splitting railway systems in two parts and creates potential threat to Tbilisi drinking water supply. Moreover, the project assumes construction of railway on high embankments (18-20metres height) through densely populated district without any safeguard measures.

In order to overcome existing shortcomings of the project it is essential to undertake a railway development project (e.g. Development of existing infrastructure) that will improve the efficiency and safety of rail operations (both freight and passenger). Or at least conduct additional study before the project implementation in order to avoid possible negative social and environmental impacts of the project.

Background

In March 9, 2010 Tbilisi Railway Bypass Project, initiated by the Georgian Railway company, was approved by the EBRD. The total project cost is over EUR 350 million from which EUR 200 million will be covered by the EBRD and EIB¹ (EUR 100 million each).

The main goal of the Project is to construct a new section of the railway bypassing central part of Tbilisi in order to avoid the transit of hazardous freight (such as oil and oil products) through the middle of the city. While the main goal of the project, improving safety within the city of Tbilisi is welcomed, there are several deep concerns that undermine the project goals and cause a serious threat to Tbilisi's population.

Concerns regarding the railway services

One of the major concern regarding the project is splitting railway system in two parts. As a result in order to continue usage of railway services people will need to use different means of transport while the project does not address issue of mitigation of discomfort and increased expenses nor the possible reduction in the number of people using the railway, increase in road traffic and decreasing railway incomes. Taking into account the fact that in cities such as London where is currently the case, expensive projects are underway to reverse the situation and make the train network more functional, it is quite unclear why Tbilisi is going in the other direction.

¹ In April 13, 2010 EIB also approved EUR 100 million for the Tbilisi Railway Bypass Project; See: <http://www.eib.org/projects/pipeline/2009/20090561.htm?lang=-en>

Concerns regarding the safety of residents

Another concern of the the project relates to construction of the new railway through the densely populated Avchala district, which fully undermines the idea of the project (Ensuring increased safety of Tbilisi population). It does not include any safeguard measures in case of accidents involving trains running on high embankments (18-20 metres height) that was also expressed by the local population during the public hearings. In addition, the EIA study does not assess the leakage of hazardous goods such as oil carried by the trains and brake fluid, which will also negatively impact living conditions in the area.

Concerns regarding the drinking water pollution

The projected railway route runs near the Tbilisi reservoir (Minimum of 900 metres away), one of the major drinking water suppliers for Tbilisi. Due to the underground streams running towards the reservoir, in case of spillage of even half a tank it could spoil approximately 50% of the volume of the Tbilisi reservoir leaving 25% of Tbilisi population without drinking water and around 20,000 hectares of agricultural arable land without irrigation. According to an ecological analysis by the Georgian Water and Power company, the abovementioned negative impacts mean that the preferred route does not fulfill requirements for environmental safety and therefore additional studies need to be carried out to find a safe alternative.

Concerns regarding the selection of the railway routes

Despite the fact that alternative routes of the railway were rejected earlier at the scoping stage by the project sponsor additional alternatives to the preferred option were not studied in the final document of the project that heavily impacts the ESIA's quality.

Concerns regarding the protected areas

The projected railway route will cross the visitors' zone of the Tbilisi National Park. According to national legislation construction of railways is not on the list of activities that is permitted in National Parks. Despite the assurance of the Georgian Railway that on the basis of the consultations with the Ministry of Environment construction of railway is included in the category of Road construction, there is no legal basis for this statement and no relevant documentation has been presented to support it. The continuation of the project in a National Park requires specific legislative changes and includes an obligation for a biodiversity mitigation and compensation plan under the environmental permit.

Concerns regarding the waste management

It is vital to note that waste management issue, including the rehabilitation of the existing railway route, is not addressed properly in the project. While the project sponsor commits to adhere to EU directives and use the guidance of best international practice, a detailed waste management plan is not available, and Tbilisi has no sanitary landfill to dispose of project-related waste.

Public participation in the scoping process

Despite the fact that Environmental and Social Policy of the EBRD directly says that "In the case of Category A projects the client will engage in a scoping process with identified stakeholders to ensure identification of

all key issues to be investigated as part of the Environmental and Social Impact Assessment (ESIA) process”, local population that will be impacted by the project did not participate in the scoping process. The main reason cited for this was avoiding additional tensions within the local population, representing clear violation of the Environmental and Social Policy of the EBRD².

Recommendations

Generally that it is necessary implement railway development project (e.g. development of existing infrastructure) that will improve the efficiency and safety of rail operations (both freight and passenger) would widely promote the usage of railway services as sustainable transport mean.

Project related recommendations:

- It is necessary to study the project’s impacts on passenger transportation and its impact on the revenues of the company;
- Additional social impact assessment should be conducted in order to assess the project impact on people who will be living along the route after the project implementation;
- An additional study should be conducted in order to find adequate alternatives for the project;
- It is necessary to change the project route in order to avoid the railway crossing the Tbilisi National Park (e.g. constructing a tunnel);
- Modelling of the flow of surface water needs to be conducted. If research shows that even a single flow is inclined towards the Tbilisi reservoir the project needs to be corrected. Additional mitigation measures should be determined;
- A waste management plan has to be made before the project approval or at least it needs to be determined where the waste will be disposed of.

For more information

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² EBRD Environmental and Social Policy (2008), PR10 “Information Disclosure and Stakeholder Engagement”, Paragraph 10;