



Project Summary Information

Date of Document Preparation: June 17, 2021	
Project Name	Infrastructure Development Program (Previously: Russian Federation Transport Sector Investment Loan)
Document Code	PD000290-PSI-RUS
Country	Russian Federation
Sector/Subsector	Transportation
Status of Financing	Approved
Project Description	<p>The Project is a sector investment loan that will provide road rehabilitation of selected subprojects. It will consist of two main components:</p> <ul style="list-style-type: none"> • Component A: Financing of eligible transport subprojects that align with the country's priority and AIIB Transport Sector Strategy. Application of AIIB's Environmental and Social and Procurement policies to all subprojects will ensure high environmental, social, and procurement standards. The first subproject will be Section #26 of R-21 Kola Highway ("first subproject"). • Component B: Institutional capacity building. The project will allow the capacity building of federal and local agencies during project implementation.
Objective	To improve road network connectivity in key economic corridors
Expected Results	<ul style="list-style-type: none"> i. Improved road conditions resulting in reduction of travel time and vehicle operation costs ii. Improved road safety resulting in reduction in traffic accidents iii. Improved environmental and social (E&S) management when planning, designing, constructing and operating the road sections included in the Project
Environmental and Social Category	Category B
Environmental and Social Information	AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL) and Environmental and Social Standards (ESS), is applicable to this Project. The Project is classified as Category B as an extensive list of E&S eligibility criteria is used to pre-select subprojects

likely to have limited number of potentially adverse environmental and social risks and impacts that should not be unprecedented and generally not irreversible or cumulative, but instead should be limited to the Project area, and be successfully managed using good practice in an operational setting.

As per the steps defined in the Project's Environmental and Social Management Planning Framework (ESMPF), each proposed subproject is required to go through a due diligence process to confirm their classification as Category B prior to AIIB's determination as to whether it may be considered for inclusion in the Project and financed under the loan upon meeting all ensuing E&S requirements. The environmental and social due diligence (ESDD) conducted on the first subproject under consideration – the Section #26 of the R-21 "Kola" Highway - has confirmed its categorization as B. The necessary supplementary E&S studies to be completed to align this subproject with AIIB's requirements have been defined, and their completion and disclosure will be required prior to commitment by AIIB to finance this subproject.

The Project Implementation Unit (PIU) to be established by the Borrower will be required to work closely with the Implementing Entity to implement the Project's Environmental and Social Management Planning Framework (ESMPF), including a Resettlement Planning Framework (RPF), Indigenous Peoples' Planning Framework (IPPF) and Stakeholder Engagement Plan (SEP) and Grievance Redress Mechanism (GRM), prepared in accordance with the ESP that defines the process and applicable E&S standards to be used for the assessment, preparation and implementation of each subproject. The PIU will be required to maintain sufficient competent resources to oversee the ESMPF's implementation across all subprojects financed by AIIB.

As defined in the ESMPF, all subprojects will be subjected to the preparation of supplementary E&S studies to be determined during the E&S due diligence process, which together with the regulatory Environmental Impact Assessment will compose an Environmental and Social Impact Assessment (ESIA). An integrated, subproject specific Environmental and Social Management Plan (ESMP), and where necessary Resettlement Action Plan (RAP) and Indigenous Peoples Plan (IPP), will be prepared to address environmental, health and safety and social risks and impacts of each subproject, and where

	<p>relevant, land acquisition and involuntary resettlement, and impacts on critical habitats, endangered species, vulnerable groups, Indigenous Peoples and/or cultural resources.</p> <p>The Project's draft ESMPF, IPPF, RPF and SEP as well as the Non-Technical Summary (NTS) for the initial subproject's environmental and social assessment are disclosed for consultation on the Borrower's website at http://economy.gov.ru/minec/about/structure/depsoprved/2019111304 as well as the AIIB website at https://www.aiib.org/en/projects/proposed/2019/russian-federation-transport-sector-loan.html. Subproject-level stakeholder consultation will take place in the course of the E&S documentation preparation and disclosure will occur through publication of the subproject ESIA and management plans on the Borrower's website and at the office of the local branches of the Implementing Agency responsible for the subprojects as well as on the Bank's website.</p> <p>The Implementing Entity will be responsible for the establishment and operation of a three-tiered Project-level GRM and subproject-level GRMs both for communities impacted by the sub-projects and also for Project workers. The Implementing Entity will also be responsible for reporting to AIIB on a regular basis on the functioning of the GRM and the implementation of the agreed ESMPF at the Project level and E&S plans at the subprojects level. The Bank will conduct regular supervision of the Project, including site visits to subprojects during their construction.</p>	
Cost and Financing Plan	AIIB Funding of USD 500 million	
Borrower	Russian Federation	
Implementing Entity	Bureau of Economic Analysis	
Estimated date of loan closing (SBF)	August 2026	
Contact Points:	AIIB	Borrower
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Date of Concept Decision	July 2019	

Date of Appraisal Decision	November 2019
Date of Financing Approval	December 2019

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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