



Project Summary Information

Date of Document Preparation/Updating: October 24, 2022	
Project Name	Punjab Arterial Roads Improvement Project
Project Number	000494-PAK
AIIB member	Islamic Republic of Pakistan
Sector/Subsector	Transport/ Roads (non-urban)
Status of Financing	Under Preparation
Project Description	<p>The Project is co-financed with Asian Development Bank (ADB) and will have the following two components.</p> <p>Component A. Improvement of Punjab Provincial Highways</p> <p>A.1 Dualization of 535km of provincial highways, involving four road sections, in southern Punjab with road safety and climate resilient features</p> <p>A.2 Construction Supervision</p> <p>Component B. Strengthening Institutional Capacity of Communication and Works Department (C&WD)</p> <p>B.1 Capacity Building of C&WD</p> <p>B.2 Strengthening of Road Asset Management</p> <p>B.3 Road Safety Improvements</p>
Objective	To improve east-west connectivity in southern Punjab with road safety, climate-resilient, and sustainable road maintenance features.
Expected Results	<p>The Results Framework and Monitoring will be used to monitor and evaluate the achievement of the proposed key project objective indicators. These include:</p> <ul style="list-style-type: none"> (i) Dualization of about 535km provincial highways (ii) Reduction of annual number of traffic fatalities on the project roads by 30 percent (iii) Performance-Based Maintenance (PBM) contracted for about 535km provincial highways (iv) iRAP Star Ratings¹ for over 800km provincial highways

¹ International Road Assessment Program (iRAP), which is globally recognized rating methodology for road infrastructure safety.

Environmental and Social Category	ADB has categorized the environmental and social (ES) risks of the Project as Category B for the Environment, Category A for Involuntary Resettlement and Category C for Indigenous Peoples (which is equivalent to Category A if AIIB's Environmental and Social Policy (ESP) were applicable).
Environmental and Social Information	<p>Since ADB will be the lead co-financier, the Project's ES risks and impacts have been assessed in accordance with the ADB's Safeguard Policy Statement (SPS) 2009. To ensure a harmonized approach to addressing the ES risks and impacts of the Project, and as permitted under AIIB's ESP, ADB's SPS will apply to the Project in lieu of AIIB's ESP. AIIB has reviewed the ADB's SPS and is satisfied that: (i) it is consistent with AIIB's Articles of Agreement and materially consistent with the provisions of AIIB's ESP and the relevant ES Standards (ESS), and (ii) the monitoring procedures that are in place are appropriate for the Project. Under ADB's Safeguard Policy, ADB has categorized the ES risks of the Project as Category B for Environment, Category A for Involuntary resettlement and Category C for Indigenous Peoples, which is equivalent to Category A if AIIB's ESP were applicable. In addition, an Initial Environmental Examination (IEE) for each road section was prepared.</p> <p>Construction-related environmental impacts can be largely mitigated through appropriate construction practices accompanied by site-specific mitigation measures. Other adverse impacts of the Project will be temporary and reversible in nature, during the construction phase. Such temporary impacts pertain to air and water pollution, noise, and disposal of construction wastes, which have been addressed in the IEEs. Out of the total 16 lots for civil works, land acquisition is required for 5 lots while moderate non-land resettlement impacts are expected for the remaining 11 lots due to losses of structures, trees and crops located in the existing rights of way. Draft resettlement planning instruments have been prepared for all 16 lots, consisting of five Land Acquisition and Resettlement Plans (LARPs) for those lots requiring land acquisition and 11 Resettlement Plans (RPs) for the remaining lots to address non-land impacts. An independent valuation study will be undertaken prior to LARP/RP implementation and compensation rates adjusted as needed to ensure that compensation is at full replacement cost. A multi-tier Project Grievance Redress Mechanism (GRM) will be established in accordance with the requirements of ADB's SPS.</p> <p>The ES documentation in English, and summary in local language, as appropriate, will be disclosed by the Client on its website and in hard copies in the Project areas. This draft documentation has also been disclosed on ADB website, and AIIB's website will include links to the documentation on the Client's website and ADB's website.</p>

Cost and Financing Plan	Project cost: USD 817 million Financing Plan: AIIB loan: USD 321 million ADB loan: USD 407 million Government of Punjab: USD 89 million				
Borrower	Islamic Republic of Pakistan				
Implementing Entity	C&WD, Government of Punjab				
Estimated date of loan closing (SBF)	June 2027				
Contact Points:	AIIB		ADB	Borrower	Implementation Organization
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Date of Concept Decision	October 13, 2021				
Date of Appraisal Decision/Estimated Date of Appraisal Decision	Q4/ 2022				
Date of Financing Approval/Estimated Date of Financing Approval	Q1/ 2023				

Independent Accountability Mechanism	<p>The proposed Project will be co-financed with ADB. The Bank has agreed that the ADB's environmental and social policies and procedures will apply to this Project and that it will rely on the ADB's determination as to whether compliance with those policies and procedures has been achieved under the Project. The Bank is satisfied that those policies and procedures are consistent with the Bank's Articles of Agreement and are materially consistent with the Environmental and Social Policy and Environmental and Social Standards, and that appropriate monitoring procedures are in place. The Bank has further agreed with the ADB that it will rely on that institution's independent accountability mechanism to handle submissions relating to environmental and social issues under the Project. Consequently, in accordance with the Bank's Policy on Project-affected People's Mechanism (PPM), submissions to the PPM under this Project will not be eligible for consideration by the PPM.</p>
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