Project Summary Information

	Date of Document Preparation: 17/08/26
Project Name	Reconstruction of A-27 Highway Atyrau-Dossor Section Project
Project Number	P001023
AIIB member	Republic of Kazakhstan
Sector/Subsector	Transport/Roads
Alignment with AIIB's thematic priorities	Connectivity and Regional Cooperation; Green Infrastructure
Status of Financing	Approved
Objective	To provide safe, efficient and climate-resilient connectivity along the Atyrau-Dossor Section of the A-27 Highway in Kazakhstan's Atyrau Region.
Project Description	The Project will include the reconstruction and upgrading (from 2- to 4-lanes) of an 87 km road section of the A-27 Highway between the city of Atyrau and town of Dossor in the Atyrau region of Kazakhstan. The Project scope includes the expansion and construction of dual-carriageways to Category I-b standard, with key features including: new embankments with raised vertical alignment, climate-resilient pavement and drainage infrastructure, 136 culverts, 30 cattle underpasses, four bridges, three railway overpasses, 18 agricultural machinery passes, one interchange and two rest areas. The Project will also support required construction supervision, implementation support and capacity-building activities. The Project is part of the ongoing joint multilateral development banks' efforts to improve road network connectivity in western Kazakhstan. The Project starts at the connection with the Dossor Bypass, which is part of the already completed Aktobe-Makat Road project financed by the Asian Development Bank. On the other side, the Project connects to Atyrau City, which links to the Atyrau – Astrakhan Road project financed by the European Bank for Reconstruction and Development. The Project road is a vital segment of the international transit corridor, facilitating the overland transit of goods from Uzbekistan and Turkmenistan to western Kazakhstan. It also connects the Atyrau Region to Aktau, a port city along the coast of the Caspian Sea and an important transit hub on the Middle Corridor. With the road improvement, it will position the Atyrau Region as a critical feeder zone for the Trans-Caspian International Transport Route. The Project aims to enhance the road's capacity, eliminate bottlenecks along the

	corridor and improve traffic flow, safety, and climate resilience, thereby promoting export-import operations and regional economic growth. The Project road will be the region's first toll road. This Project will use an integrated Design-Build-Maintenance (DBM) contract model based on the Yellow Book contract format of the International Federation of Consulting Engineers (FIDIC). This integrated approach offers several key advantages over conventional, input-based contracts: it mobilizes private-sector expertise to optimize maintenance budgets, reduces life-cycle costs and improves long-term road quality and service levels. It also reduces the risk of cost overruns and implementation delays common under traditional contracts. AIIB will provide Sovereign Backed financing of approximately 88% of the total Project cost. The Government of Kazakhstan (GoK) will finance the remaining share up to 12% as counterpart funding.
Expected Results	The Project is expected to reduce the average travel time along the Atyrau-Dossor section, incorporate climate adaptation measures into the road design, increase traffic volume along the road section, improve the road condition and safety and enhance the population's access along the Project road.
Environmental and Social Category	B
Environmental and Social Information	**Applicable Policy and Categorization:** AIIB's Environmental and Social Framework (ESF), including the Environmental and Social Policy (ESP), Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), applies to the Project. ESS 1 and 2 are relevant, while ESS3 is not relevant, as no indigenous people are present in the country as per ESS3 definition. The Project is categorized as Category B due to the scale and magnitude of environmental and social (ES) impacts that can be avoided or mitigated by adhering to relevant ESSs, procedures, and guidelines. **Environmental and Social Instruments**: The Borrower has prepared, consulted upon and disclosed the following instruments in accordance with AIIB's ESF: a) Draft E&S Impact Assessment (ESIA), including ES Management Plan (ESMP), b) Draft Land Acquisition and Resettlement Framework (LARF), c) Stakeholder Engagement Plan (SEP), d) Labor Management Procedures (LMP), and e) ES Action Plan (ESAP). The instruments will be updated post-detailed design and cascaded down to the contractors' site-specific ES management plans (CESMPs). **Environmental Aspects**: The key environmental risks and impacts include habitat disturbance, dust generation, noise and vibration from construction activities and operation period, and risks of pollution from construction waste, fuel spills, and improper waste management. While the Project does not traverse legally protected areas, Ramsar sites, or Key Biodiversity Areas, it may impact local biodiversity through habitat fragmentation, potential roadkill incidents, and disturbances to wildlife movement. These risks were assessed as part of the ESIA, and mitigation measures have been incorporated into the ESMP, including the protection of flora and fauna, noise and vibration

	management, construction waste management procedures, and traffic safety measures. These will be further translated into CESMPs during project implementation. **Social and Gender Aspects**: The Project is expected to generate positive socio-economic benefits for the local population, including improved travel conditions and road safety, reduced transportation costs, travel time, and congestion. The social risks and potential impacts are associated with land acquisition, livelihood disruption, restrictions on land use, relocation of utilities, as well as community health and safety associated with construction activities and potential labor influx. These impacts have been assessed in the ESIA and appropriate mitigation measures have been incorporated into the ESMP. Resettlement-related impacts will be addressed through the preparation and implementation of a Land Acquisition and Resettlement Plan (LARP) to be developed in line with the LARF once the detailed design is finalized. Given the potential influx of labor during construction, the risk of gender-based violence and harassment (GBVH) was assessed and mitigation measures including codes of conduct, awareness programs and grievance handling have been incorporated into the ESMP and LMP. **Occupational Health and Safety (OHS), Labor and Working Conditions (LWC):** The Project involves typical construction-related OHS risks, like worksite accidents, mechanical and load-handling hazards, exposure to hazardous chemicals and materials, operation of heavy machinery, electric shock, extreme weather conditions, noise, vibration, and increased road traffic hazards and safety. These risks will be managed through the implementation of OHS measures included in the ESMP, which will be further integrated into the Contractors' site-specific OHS Plan. LWC risks/impacts related to sub-standard working practices will be managed through implementation of LMP. **Stakeholder Engagement, Consultation and Information Disclosure.** SEP has been prepared to identify key stakeholders and define communication channels and engagement activities throughout the project cycle. A series of public consultation meetings were carried out along with the alignment during the 2024 feasibility study and national EIA preparation. The main concerns raised by communities will be addressed in the final technical design. The ES documentation was disclosed in English and the local language(s) on the Borrower's and Bank's websites 30 calendar days prior to the Bank's consideration of the Project for approval. **Project Grievance Redress Mechanism (GRM) and the Arrangement of Monitoring and Reporting:** A two-tier existing GRM will be established to address project specific community and worker grievances, including ES issues and GBVH concerns, ensuring stakeholder engagement throughout the project lifecycle. The Borrower will be responsible for coordination, supervision, and monitoring of the Project in compliance with the AIIB's ESF, ESP and ESS, and management of the project-level GRMs. The Borrower will submit semi-annual monitoring reports to AIIB. AIIB will retain its rights to conduct field supervision to verify compliance with the ESMP and other applicable ES instruments.

Cost and Financing Plan	Total Project Cost: USD265mn Proposed AIIB financing: USD233mn Government of Kazakhstan: USD32mn		
Borrower	KazAvtoZhol National Company Joint Stock Company		
Guarantor	Republic of Kazakhstan		
Implementing Entity	KazAvtoZhol National Company Joint Stock Company		
Contact Points:	**AIIB**	**Borrower**	**Implementation Organization/Sponsor**
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Date of Appraisal Decision	November 13, 2025		
Date of Financing Approval	March 9, 2026		

Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by 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 ESP in situations where their concerns cannot be addressed satisfactorily through the Project-level GRM or the processes of AIIB's Management. For information on AIIB's PPM, please visit: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.