

The mission of the Eurasian Development Bank ("EDB" or the "Bank") is to help strengthen the market economies of its member states, stimulate their sustainable economic growth, and expand trade and other economic ties through investment. The EDB places great emphasis on adhering to the principles of responsible business conduct both within the Bank and in relation to the projects it finances.

The Bank adheres to the best practices of multilateral development banks and other international financial institutions in managing environmental and social risks in project financing. In its day-to-day operations, the Bank is guided by the UN Global Compact's Ten Principles, the OECD Principles of Corporate Governance, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, the Declaration on Fundamental Principles and Rights at Work, and other universally recognized principles, treaties and commitments.

The Big Almaty Ring Road (BAKAD) project aims to bolster the transit potential and competitiveness of transit routes across the Bank's member states, stimulate trade and economic cooperation, promote cross-border freight traffic, and alleviate traffic congestion in and around Almaty. The project has significant positive impact on air quality, quality of life, and economic growth in Almaty and the region. It diverts a large part of transit traffic flows away from the streets of Almaty, improving connectivity and increasing the speed of cargo transportation as well as the road network's capacity. The BAKAD also reduces traffic congestion in the city, leading to a decrease in air pollution. The project is socially important as its construction phase generated over 2,000 jobs, with 85% of the workforce comprised of local employees, including those from vulnerable groups. During the operation phase, the project is expected to employ approximately 300 individuals. Further, the project has supported local communities by improving existing roads, building new passageways, conducting charity events for vulnerable groups, and raising awareness about road safety among local schoolchildren, among other activities.

The project was financed by the consortium of development banks (including EBRD, IsDB), so it is in compliance not only with the local environmental and social legislation but also with the best international practices and E&S safeguards of project financing. The Environmental and Social Impact Assessment (ESIA) Report was prepared by ERM Eurasia and is publicly disclosed in English and Russian. The Environmental and Social Action Plan, The Stakeholders Engagement Plan developed for the project considers the requirements of the international financial institutions and are also publicly available.

According to the Bakad Investment and Operations LLP, "in total, 18 358 of trees are fell down by the Project" – that is even less than provided for the project documentation (19 056). According to the Bakad Investment and Operations LLP, "97 895 of trees shall be planted in accordance with the compensational tress planting plan of the Project" – even more than provided for the project documentation (58 560). According to the ESIA, the residual impact of the trees cutting after compensation measures taken is minor.

Project Finance International (PFI) magazine recognized the BAKAD project with its Transport Deal of the Year award for 2020.

Eurasian Development Bank

Corresponding links:

<https://eabr.org/en/projects/in-process/construction-and-operation-of-the-big-almaty-ring-road-bakad/?n=y>

<https://www.ebrd.com/work-with-us/capital-markets/bakad.html>

<https://www.isdb.org/news/isdb-co-financed-almaty-great-ring-road-inaugurated-driving-regional-connectivity-and-economic-growth>

<https://www.ebrd.com/documents/environment/esia-47085-esiar.pdf>,
<https://www.ebrd.com/documents/environment/esia-47085-esapr.pdf>,
https://ewdata.rightsindevelopment.org/files/documents/78/IFC-36278_hYLbbBP.pdf,
<https://www.adb.org/sites/default/files/project-documents/49360/49360-001-esia-en.pdf>,
<https://www.ebrd.com/work-with-us/capital-markets/bakad.html>
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