

V.A.3. Environmental Issues in Infrastructure Projects

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The paper is based on personal experiences in road projects. The paper highlights the environmental issues involved in the economic appraisal of infrastructure projects. It also focuses on the problem of quantifying environmental costs and benefits. In environmental impact assessment both negative and positive effects are determined but to quantify environmental tradeoffs by displaying quantified assessment results is merely not a technical problem but also a problem related with policy parameters. When funding of construction is decided to be on BOT basis, commercial consideration draws the prime attention. The environmental assessment includes measures for mitigation of negative effects but commercial consideration gives little attention to the mitigation measures. A contradiction exists between concept and approach from the very beginning of the project; often environmental discipline attached lesser priority even in feasibility consideration in the country where 90% people have income below \$2 per day.