

Environmental and Social Data Sheet

Overview

Project Name:	BORDER CROSSING AND INFRASTRUCTURE
Project Number:	20110563
Country:	Armenia
Project Description:	Construction and upgrading of three Border Crossing Points between Armenia and Georgia, at Bagratashen, Bavra and Gogavan including improvement of access roads and associated infrastructure in Armenia.

EIA required:	YES
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Project included in Carbon Footprint Exercise ¹ :	NO
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Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project involves the construction and upgrading of three Border Crossing Points (BCPs) between Armenia and Georgia at Bagratashen, Bavra and Gogavan in Armenia. The project also includes the improvement of access roads and associated infrastructure, including a new bridge at Bagratashen and the reconstruction of the approximately 7.4km main road leading to the Gogavan BCP.

If the project was located in the EU it would have fallen under Annex II of the EIA Directive 85/337/EEC, as amended. The project was screened in by the Competent Authority, the Ministry of Nature Protection, in accordance with the Republic of Armenia (RA) Law on Environmental Impact Assessment, for the following reasons i) it falls under the category of projects with cross border impact, ii) the estimated total area of construction at each BCP exceeds 1500 m², and iii) a construction of a new bridge is planned at Bagratashen BCP.

An EIA has been done and an initial copy was submitted to the Bank. The final version will be submitted as a loan condition (when the final designs are completed). To date the environmental and building permits for the project have not been granted. Final environmental and building permits will be sought by the Design and Build contractor.

The main residual negative environmental and social impacts of the project are i) conversion and permanent loss of 22.9Ha of agricultural and forest land (Bagratashen 7.9Ha; Bavra 7.5Ha and Gogavan 7.5Ha), ii) additional noise, vibration and visual intrusion for certain properties near to the facility and roadway, and iii) solid waste and waste water disposal including hazardous waste. The EIA has recommended re-planting of greenery, fencing, appropriate waste disposal and soil contamination mechanisms as some of the mitigating measures. An environmental management plan will be prepared by the contractor. A total of 60 land plots are being acquired including three families in need of relocation. There is still some dissatisfaction with the Government offers, primarily among the families who are reluctant to give up their homes. Public consultations took place on January 26th and 27th, 2012 and a preliminary report was submitted to the Bank.

The EIA states that both Bagratashen and Gogavan BCPs are located at a significant distance from any specially protected area(s) and their upgrading will not cause any impact on the endemic communities of flora and fauna. However, Bavra BCP is located within the protection (buffer) zone of the Arpi Lich National Park. Areas adjacent to the BCP are

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

included in the economic zone, with the protected areas being some 8 to 14km away. The project is not expected to have any significant impact on the protected areas. This will be further confirmed when the Environmental Permits are issued. As the approval procedure for the EIA is still pending, completion of this procedure will be a condition for disbursement of the loan. The Bank is satisfied with the procedure followed to date and awaits the outstanding documentation requested (see environmental disbursement conditions).

The carbon footprint is marginal (few 100 tons of CO₂/year), a reduction after project implementation can be expected but is not truly quantifiable.

Conditions prior to first disbursement

- Submission of findings of the Public Consultation including land acquisition and resettlement report;
- Signed Letter of Notification (and confirmation of receipt) to the Georgian Government advising them of the proposed (Trans Boundary) works.

Conditions prior to second disbursement

- Include written confirmation from the Competent Authority that the provisions of the EU Habitats Directive 92/43/EEC (or equivalent impact on protected areas) has been complied with (Signed Forms A or B or equivalent);
- Report on Biodiversity Strategy and action plan for Republic of Armenia for each site;
- Submission of the Building Permit and Environmental Permit for all three BCPs and Final EIA report;
- Report on the planned solid waste, waste water (sewerage) and toxic waste disposal mechanisms to be utilised in all the BCPs;
- A copy of the Environmental Management Plan is to be submitted to the Bank.

Environmental and Social Assessment

Environmental Assessment

The Strategic Environmental Assessment (SEA) Directive 2001/42/EC has not been undertaken as the project is not part of a programme of works in the EU. However, UNDP through the "Supporting Integrated Border Management in the South Caucasus" (SCIBM) EU funded regional initiative, aims at the introduction of EU best practices and Integrated Border Management (IBM) standards by streamlining the IBM related legislation, and by supporting the development of a 2011-2015 Integrated Border Management (IBM) Action Plan. The latter plan was adopted by the Government of the RA in April 2011 and supports the modernisation of all BCPs in the Republic of Armenia (RA).

A limited number of alternative sites were considered for each BCP given the existing location of the Georgian BCPs and the need for the RA BCPs to be located close by and along existing roads connecting them. Some land take is envisioned to facilitate the new and expanded layout of the BCPs.

The three BCPs are located between 500 to 2200m above sea level. The BCP locations are susceptible to earthquakes and the town of Bavra has been destroyed in the past (1958). The design of the BCPs will have to take this natural hazard into consideration. The main issue observed at the sites related to adequate waste disposal mechanisms. In particular, a suitable method for waste water disposal and treatment must be proposed by the designers to address this issue. In addition, adequate mechanisms are needed for solid waste and toxic waste treatment, as at one site the raw sewerage was being piped into the river (which appears to have started as a result of the last major earthquake, and the disposal system has not been rectified). The submission of the proposed systems, at all sites, is a condition prior to disbursement of the loan.

Bavra BCP is located in the protection zone of the “Arpi Lich” National Park which encompasses Arpi and Adenis lakes, as well as areas enclosed within the watersheds of the upstream catchment basins of the Akhuryan River. Any economic activity that may potentially harm the sustainability of the areas eco-systems and preservation of flora, fauna, as well as sites of scientific and historical-cultural significance, is prohibited within the Park’s protection zone and is regulated by legislation. The BCPs’ distance from the preservation zone is 8 to 14km. The submission of the environmental permit from the competent authority will be a disbursement condition of the loan.

Some contact with the Georgian Border Post administration regarding the project has already taken place. Nevertheless, a signed Letter of Notification (and confirmation of receipt) to the Georgian Government, advising them of the proposed (Trans Boundary) works, is to be submitted to the Bank as a condition of the loan.

EIB Carbon Footprint Exercise

The Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

Social Assessment, where applicable

Land Acquisition and Resettlement Framework document has been prepared by the Government along with questionnaires for the residents. The full report, when completed, will be submitted to the Bank as a condition of the loan.

A copy of the Environmental Management Plan will be submitted to the Bank as a disbursement condition of the loan.

Public Consultation and Stakeholder Engagement, where required

The Public Consultations have taken place and an initial report submitted to the Bank. A full report along with the final EIA report will be submitted to the Bank.