

**ARMENIA TRADE PROMOTION AND  
QUALITY INFRASTRUCTURE PROJECT**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT  
FRAMEWORK**

**April 2014,  
Updated February 2021**

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## **List of Acronyms**

ANIF-	Armenian National Interests Fund
EIF -	Enterprise Incubator Foundation
ESMP -	Environmental and Social Management Plans
ESIA -	Environmental and Social Impact Assessment
ESMF -	Environmental and Social Management Framework
ESS-	Environmental and Social Specialist
FM -	Financial Management
FDI -	Foreign Direct Investment
FISC-	Fund Investment Support Center
GDP-	Gross Domestic Product
IEPI -	Investment, Export Promotion and Industrial Development Agency
ISC-	International Standards of Armenia
MoE-	Ministry of Economy
MoHTI-	Ministry of High-Tech Industry
NBSM -	National Body of Standards and Metrology
NAB -	National Accreditation Body
NVF-	National Venture Fund
PDO-	Project Development Objectives
RA-	Republic of Armenia
PMU -	Project Management Unit
PMO-	RA Prime Minister Office
NBSM -	National Body for Standards and Metrology
SEEC-	State Environmental Expertise Center SNCO
TPQI -	Trade Promotion and Quality Infrastructure

## INTRODUCTION

This Environmental and Social Management Framework (ESMF) is designed for use by the staff of the Project Management Unit (PMU) and implementing agencies for the purposes of implementing the World Bank-financed Trade Promotion and Quality Infrastructure (TPQI) Project. The ESMF outlines the main environmental and social principles, procedures, and guidelines for the implementation of TPQI Project (the Project) financed by the World Bank's proceeds to the Republic of Armenia (RA) by Loan Agreement.

The ESMF provides general guidance for safeguarding Project-financed activities from unintended negative environmental and social impacts. It includes detailed description of procedures required to assess environmental and social risks of the activities proposed under the Project, applied mitigation measures and their monitoring.

The main purpose of this ESMF is to serve as a tool to identify key environmental and social impacts of the proposed investments, define mitigation measures to address their expected negative impacts, design impact management plans (e.g. environmental and social management plan, pest management plan, etc.), and monitor application of the prescribed mitigation measures. The ESMF also defines institutional responsibilities for applying safeguard policies and overseeing the quality of their application. The ESMF carries templates designed to facilitate preparation of the safeguards documents required by the established procedures. The budget for implementing the ESMF has been included in the project cost.

Physical construction works envisaged within the framework of TPQI Project potentially may have some negative social impacts, including land acquisition, restriction of access to the private and public properties during the construction period. A Resettlement Policy Framework (RPF) has been developed for TPQI Project implementation, which describes all potential resettlement issues and provides guidance for developing site-specific Resettlement Action Plans.

Significant reforms have taken place in the National Quality Infrastructure in recent years. Since the adoption of the “Strategy for the Reform of the Republic of Armenia’s Quality Infrastructure” (2010-2020) by the government in 2010, several major reforms have taken place; most notably:

- New laws on metrology, standardization, accreditation, and technical regulations were adopted in 2012. This new legislation provides the basis for the development of the elements of the national quality infrastructure with the overall objective of obtaining international recognition.
- In line with the international best practice, an accreditation agency was amended within the Ministry of Economy. Later, in 2012 the National Accreditation Body was established with an accreditation council represented by public and private sector stakeholders.
- Technical specifications for products and services were divided into mandatory and voluntary categories – a significant milestone which reduces the regulatory burden on firms.

Nevertheless, Armenia’s national quality infrastructure suffers from significant weaknesses that hinder technology upgrading and undermine the competitiveness of its exports. Lack of modern quality infrastructure has severely constrained the ability of Armenian firms to move up the value chain or to find export markets. Most of Armenia’s potential export destinations, including the EU, USA and several countries which are not members of the Eurasian Economic Union

, often require different conformity assessment criteria, other than those applied domestically.

## **CHAPTER 1. PROJECT DESCRIPTION**

The Project Development Objective (PDO) is to strengthen the government's capacity to provide export promotion, investment attraction and quality management services to firms.

The Project's direct beneficiaries include both existing and potential exporters, who will benefit from an improved service delivery under a more efficient trade promotion and quality system. The Project beneficiaries will also include foreign-owned firms, which exist in and/or are going to invest in Armenia as well as local enterprises, which will receive positive spillover effects from inward Foreign Direct Investment (FDI). Furthermore, relevant government agencies will benefit from training activities implemented as part of the Project by strengthening the institutional capacity to provide their services more effectively. Finally, the Project will benefit Armenian universities, research institutions and enterprises by promoting industry-academia collaboration.

The Project builds on previous and ongoing projects financed by the World Bank, including the First Development Policy Operation which went to the Board in November 2013. TPQI Project is targeting several areas that will advance the objectives of this project including:

### **The Project is comprised of four components:**

- (1) Improving the effectiveness of the trade promotion and quality infrastructure system of Armenia;
- (2) Promoting investment and exports;
- (3) Modernizing the national quality infrastructure;
- (4) Project management and monitoring and evaluation.

The summary of description of each component follows below.

### **Component 1: Improving the Effectiveness of the Trade Promotion and Quality Infrastructure System**

The objective of this Component is to promote reforms aimed at improving Armenia's Trade Promotion and Quality Infrastructure System.

This component will focus on the achievement of the following results: (i) strengthening of the national investment and export promotion services; (ii) strengthening of the national metrology services; and (iii) strengthening of the national accreditation services.

**The component will support the government's efforts to improve service delivery in the trade promotion and quality system by rewarding results achieved in:** i) streamlining and strengthening the institutional framework for trade promotion and quality infrastructure by merging duplicative agencies; ii) creating organizational structures that are in line with international best practice; iii) improving the monitoring and evaluation process of the agencies by incorporating annual reviews and action plans and independent evaluations; and iv) ensuring adequate budget from the state for the agencies to perform the activities outlined in their action plans.

This Results Based Financing /RBF/ component will disburse loan funds to the Government of Armenia (GoA) for agreed-upon actions, outputs and outcomes (“Disbursement-Linked Indicators” or DLIs) that result in improvements to the trade promotion and quality system. The GoA will receive disbursements based on established amounts allocated to the achieved DLIs to the extent there are sufficient Eligible Expenditure Programs (EEPs) incurred by the Government. This component will be complemented by the investments financed through Components 2 and 3 of the Project and other sources, including the GoA and donor funds outside the Project.

The Summary of DLIs is specified in Schedule 4 of the Loan Agreement.

## **Component 2: Promoting Investment and Exports**

The objective of this Component is to strengthen the Government’s capacity to actively provide services to improve capacity of local exporters to compete in foreign markets, facilitate cluster development, and attract efficiency-seeking FDI. The component will focus on promoting investment and exports by financing activities under the following four sub-components:

### **Sub-component 2.1: Services to Investors and Exporters**

This sub-component will finance carrying out key support services to investors and exporters, such as: (i) financing costs for the establishment of Armenian representatives in key foreign export and investment markets to conduct marketing and promotion activities; (ii) financing costs for the development of a set of export programs and market research services, including the development of an “Exporter’s Manual”, an “Export Readiness Assessments,” and “Export Training Programs”; (iii) carrying out image building and investment outreach services; (iv) building the information technology infrastructure for IEPI, including the procurement of IT equipment and the development of a Customer Relationship Management (CRM) system to improve the efficiency of operations; (v) carrying out training and capacity building activities; and (vi) hiring international experts. ANIF serves as implementing agency for this sub-component.

### **Sub-component 2.2: Export Development Grants and Innovation Matching Grants**

The objective of the sub-component 2.2 is to co-finance the acquisition of knowledge and marketing services to improve the products, services and processes of innovative startups and Small Medium Enterprises (SMEs) with export potential and to increase the awareness of their products and services in foreign markets.

ISC and EIF serve as implementing agencies for this sub-component. An Exporter Development Grants (EDG), as well Innovation Matching Grants (IMG) Implementation Manuals, which includes detailed criteria and procedures for the grants are prepared by ISC and EIF accordingly and approved by the World Bank and PSC.

### **Sub-component 2.3: PPP Initiatives**

The objective of this sub-component is to: (i) strengthen the relationships of firms within Armenia’s domestic industries with export potential in order to accelerate the upgrading of these industries; ii) strengthen Armenia’s relationships with existing efficiency-seeking, high value-added FDI as well as to enhance the potential for attracting new FDI to Armenia; and (iii) facilitate industry-academia collaboration.

This sub-component includes five PPP initiatives:

#### **Cluster Development PPPs:**

2.3.1: Establishment of Engineering City;

2.3.4: Establishment of a National Supercomputing Center of Armenia; and

**Research & Skills Development PPPs:**

2.3.2: Establishment of Cybersecurity Incubator and R&D Lab;

2.3.3: Establishment of Advanced Industrial Research Labs;

2.3.5: Advancing High-tech Education in Gyumri Branch of National Polytechnic University of Armenia.

EIF serves as implementing agency for the proposals related to Information Technology (IT) and Engineering sectors. PPP Implementation Manual, which includes detailed criteria and procedures for the PPP's, is prepared by EIF and approved by the WB and PSC.

**Sub-component 2.4: National Venture Fund (NVF)**

The NVF aims to promote the development of start-up companies through provision of investments and management support. The main objectives of this project sub-component are as follows:

- To invest in Armenian high-tech startup companies and to ensure their further development and penetration into the global markets;
- To provide sufficient financial resources to start-up companies within Armenia and prevent their relocation into other countries where other large venture funds are operating;
- To become a regional investment platform for foreign venture/investment funds, as well as for other investors who are interested in investing in high-tech startups in Armenia and other countries of the region;
- To promote the collaboration with start-up incubators and accelerators, universities and other venture funds in order to assist the start-up companies in acquiring new skills and knowledge in business, sales, marketing, project management and ensure their intense development.

The MoHTI serves as implementing agency for this sub-component. The MoHTI will be supervising and coordinating the NVF project processes flow. For the purpose of carrying out this project the Government through the MoHTI will select and retain a private management company for the NVF that will inter alia manage the NVF, actively seek investment opportunities and regularly inform the NVF Steering Board on the Fund's performance.

**Component 3: Modernizing the National Quality Infrastructure**

The objective of this component is to modernize metrological and accreditation services in order to provide relevant quality assurance services to industry. This component consists of two main sets of activities.

**Sub-component 3.1: Support to National Body of Metrology**

The objective of this sub-component is the development of industrial metrology laboratories that are in line with international standards. This sub-component will finance: (i) the renovation of a building to house the two key industrial metrology laboratories identified in the national metrology strategy; (ii) procurement of equipment and furniture for the laboratories built under the project; and (iii) capacity building for the effective and efficient operations of the laboratories including the hiring of an local technical consultant to work with the staff, and a firm to support the implementation of a quality management system (QMS) in accordance with ISO 17025 in the industrial metrology laboratories.

**Sub-component 3.2: Support to National Accreditation Body**

The objective of this sub-component is to support the NAB to achieve its goal of becoming an internationally recognized body by obtaining MLAs and/or MRAs with the international accreditation bodies. This sub-component will finance: (i) capacity building of NAB staff, including the hiring of an international resident advisor to support skills-building of staff and deliver the training required for the effective and efficient operations of the NAB; and (ii) the development of an electronic (E-accreditation) process automation (on-line) system.

#### **Component 4: Project Management and Monitoring and Evaluation**

The objective of this component is to finance the Project management, monitoring and evaluation. Given the fact that various entities are involved in this Project, the Office of Deputy Prime Minister will oversee and coordinate the implementation of the Project through a PMU established within the Prime Minister's Office, which will be also responsible for the fiduciary aspects of the Project activities (including financial management and procurement) since the January 2020.

This component will finance: (i) consultants employed as part of the PMU, including the Project Manager and other required support staff including Project Assistant, Procurement Specialist, Financial Management Specialist, Project Accountant, Monitoring & Evaluation Specialist, Environmental and Social Specialist, IT Expert, Engineer and Translator; (ii) required goods and services to support the functioning of the PMU, as needed, including office equipment and furniture; (iii) the incremental operating costs for the PMU and EIF teams incurred on account of the Project implementation (which includes vehicle rental, cost of fuel, insurance, operation, and maintenance of vehicles, minor office equipment, furniture, office supplies, utilities, communication and media advertisement costs, printing and publications (electronic and/or paper), maintenance costs, training, meetings and in-country travel costs, translation, and salaries, including health benefits/insurance, but excluding salaries for civil servants, and other expenditures that may be agreed with the World Bank during project implementation); and (iv) all Project-related audits.

## **CHAPTER 2. PHYSICAL INVESTMENTS UNDER THE PROJECT**

Component 2 will support PPPs aimed at promoting research, skills and cluster development. This will imply physical works to be undertaken by the Government of Armenia for the provision of premises, other infrastructure and utilities for Cluster development to strengthen industry Cluster, Research and Skills Development initiatives picked by multilaterals for investment. The sub-components under Component 2 which include physical investments are introduced below:

### **Sub-component 2.2: Export Development Grants and Innovation Matching Grants**

For this grant, the MoE seeks small and medium businesses to directly establish a wholesale market or establish auxiliary services that support facilitation of goods to and from an existing or new wholesale market. To help achieve this vision, the following key service may be eligible for the grant:

- ✓ Wholesale market mechanism
- ✓ Wholesale market physical space or multi-purpose universal hall
- ✓ Wholesale market operations, including materials, equipment or digital mechanisms for consolidation, sorting/weighing, grading/sizing, picking, packaging, palletizing, quality assurance, storage. Depending on the requirements of the facility, the following may be needed: tracking systems, automation, dock loading systems, standalone refrigeration, fork-lift trucks, radio-frequency identification (RFID) stock control and distribution computer systems
- ✓ Co-located processing or pre-processing facilities



- ✓ Aggregation points
- ✓ Storage facilities
- ✓ Transportation and logistics services and facilities
- ✓ Cold chain storage and logistics services
- ✓ Branding and design, packaging and labeling centers
- ✓ Farmers/supplier development program, including upstream engagement with farmers
- ✓ Marketing engagement with traders, processors and/or direct linkages to domestic and/or export markets. This can include export management, marketing/promotion centers
- ✓ Technology platforms that support facilitation of wholesale market systems from upstream to downstream management
- ✓ Technology transfer centers
- ✓ Resource sharing centers

**Eligible expenses under EDG include:** Minor renovation and refurbishment (cannot exceed more than 10% of total grant funds), modernization of production processes, acquisition of new equipment, acquisition of raw materials and goods, introduction of quality management and certification, other valid expenses identified in the budget as directly related to execution of the Project and agreed by Implementing Organization, including development of market entry/foreign expansion strategies, customized company-specific foreign market research and promotional campaigns (all of which cannot exceed more than 20% of total grant funds), working capital (salaries, utility costs, rental costs), which shall be financed under the co-financing funds and taxes, which shall be co-financed from the RA budget sources, as co-financing to the Project.

**Ineligible expenses under EDG include:** Land acquisition or investments that entail private land acquisition, resettlement, or any damage to private assets or livelihoods, working capital (salaries, utility costs, rental costs), in-kind contribution, provisions for losses or potential future liabilities, interest or debts owed to any party, credit to third parties or sub-grantees, purchase of buildings or construction, renovations and any other expenditures that are not related to the Project purpose.

### **Sub-component 2.3: PPPs to Promote Research, Skills and Cluster Development**

#### **Cluster Development PPPs:**

2.3.1: Establishment of Engineering City;

2.3.4: Establishment of a National Supercomputing Center of Armenia;

The Engineering City is planned to be located on approximately 3 hectares of land on Bagrevand street. Three different buildings will form the complex: Engineering Center, one Engineering Plaza, second one Museum of Science & Technology and Museum of Space and third one Engineering Business Accelerator and Co-Working Space and 22 EC Residents buildings. Engineering Business Accelerator and Co-Working Space will host facilities for incubation and acceleration activities, small office spaces for start-ups, co-working space for teams, administrative space for management and technical staff, meeting rooms, conference hall, training rooms and shared labs.

TPQI project funding will cover the costs associated with 30,000 sq.m. land improvement works; construction and renovation of Engineering Business Accelerator and Co-Working Space; purchase of equipment and software for shared resource labs, including Workshop area, Machine lab, Electronic board production line, etc.; staff; maintenance and operation; organization of events and trainings. The purpose is to establish innovative infrastructure for engineering industry of Armenia with shared prototyping and production equipment/software and common logistics. Armenian

companies from industry will have the right to enter and use up-to-date machinery and industry specific facilities.

Engineering City Infrastructure Development works will use smart city concept approach (including energy efficient, smart management and control systems, smart security systems, smart integration of all services, etc) and detailed designs will be developed for the following: communication system (including data center), electricity, waste management, water supply and sewerage system, gas, green zones, anti-fire system, lightening, security systems, bicycle paths, pedestrian maps, internal traffic circulation roots etc.

**Component 3** will finance physical works for rehabilitation of premises of NBSM to modernize metrological and accreditation services and strengthen the competitiveness of local manufacturers. The planned industrial metrology center will be located at 49/4 Komitas Avenue. Renovation works will be carried out on three floors, where 7 laboratories with attached offices (518 m<sup>2</sup> space), an equipment handover room (35 m<sup>2</sup> space), and a meeting/training room (190 m<sup>2</sup> space) will be located.

Rehabilitation of the 743 m<sup>2</sup> office space for NBSM will include the renovation of the interior in several rooms, including new flooring and plastering, replacement of windows, doors, and internal piping.

## CHAPTER 3. LEGAL, POLICY AND INSTITUTIONAL FRAMEWORK

### 3.1. National legislation

#### *Environmental legislation*

The 12<sup>th</sup> Article of the Constitution of the Republic of Armenia (adopted in 1995 and amended in 2005 and 2015) states that the State shall promote the preservation, improvement and restoration of the environment, the reasonable utilisation of natural resources, guided by the principle of sustainable development and taking into account the responsibility before future generations. Since 1991, more than 25 codes and laws as well as numerous by-laws and regulations have been adopted to protect the environment.

#### - **Land Code (2001)**

The Land Code defines the main directives for management use of the State lands, included those allocated for various purposes, such as agriculture, urban construction, industry and mining, energy production, transmission and communication lines, transport and other purposes. The Code also defines the lands under the specially protected areas, forests, water as well as reserve lands. It also establishes the measures at the land protection, as well as the rights of State bodies, local authorities and citizens towards the land.

#### - **Water Code (2002)**

The main purpose of the Water Code is to provide the legal basis for the protection of the country's water resources, the satisfaction of water needs of citizens and economic sectors through effective management of water resources, and safeguarding the protection of water resources for future generations. The Water Code addresses the following key issues: responsibilities of state/local authorities and public, development of the National Water Policy (2005) and National Water Program (2006), water cadastre and monitoring system, public access to the relevant information, water use and water system use permitting systems, trans-boundary water resources use, water quality standards, hydraulic structures operation safety issues, protection of water resources and the State supervision.

#### - **Mining Code (2011)**

The code defines principles and rules of mining in the RA, the relations related to preservation and use of the deposits, conditions and requirements of efficient use, security of mining and protecting the environment from its negative impacts, as well as protection of rights of the state, citizens and users of deposits.. They may be given out for use for a certain period of time, and cannot be privatized. The law also determines conditions, requirements and peculiarities of the natural resources and deposits. It also establishes payment principles, compensation, monitoring, and limitation for mining activities.

#### - **Law on Environmental Impact Assessment and Expertise (2014 )**

The Law on Environmental Impact Assessment and Expertise, passed in 2014, provides the legal basis for the implementation of State environmental impact expertise of planned activities and conceptual paper as well as presents the standard steps of the EIA and expertise process. Chapter three defines the types of proposed activities subject to EIA and expertise according to the anticipated level of impacts and EIA effort required. Types of proposed activities are grouped by sectors into three categories: “A”, “B” and “C” by the severity of environmental impact in diminishing order.

Based on the RA legislation, construction of new buildings starting from 1500 m<sup>2</sup> is subject to environmental impact assessment (EIA) and ecological expertise. According to the Armenian legislation, State Environmental Expertise Center (SEEC) SNCO under the RA Ministry of

Environment is responsible for EIA expertise, while EIA is submitted by project initiator. Based on the expertise conclusion, the proposed construction would be either cleared to proceed or banned.

- **Law on Ensuring Sanitary-epidemiological Security of the RA Population (1992)**

The Law “On Ensuring Sanitary-Epidemiological Security of the RA Population” was adopted in 1992, which sets legal, economic and institutional bases for ensured sanitary and epidemiological safety of the population, as well as other guarantees provided for by the State to exclude influence of adverse and hazardous factors on human organism and ensure favorable conditions for vital capacity of the present and future generations.

- **Law on Atmospheric Air Protection (1994)**

The objective of the Law is to provide the cleanness of the atmospheric air, elimination and prevention of the negative impact on the atmospheric air, as well as regulation of public relations in this field. The Law defines norms of permissible amount of concentrations and physical negative impact as well as norms of permissible pollution from movable and unmovable sources.

- **Tax Code January 1, 2018**

Following the Tax Code of the Republic of Armenia enters into force pursuant to Article 445 of the Tax Code, the following laws are repealed since then...: 6) RA Law on Environmental and Nature Use Charges HO-270 Law, December 28, 1998, 7) RA Law on Rates and Nature Protection Payments HO-245-N, December 20, 2006, except for clause "b," Article 3 of that law, which is valid until December 31, 2020.

From now on, all legal relations related to these payments shall be regulated by the Tax Code.

- **Law on Wastes (2004)**

The law regulates legal and economic relations connected to the collection, transfer, maintenance, development, reduction of volumes, prevention of negative impact on human health and environment. The law defines objects of waste usage, the main principles and directions of state policy, the principles of state standardization, inventory, and introduction of statistical data, the implementation of their requirements and mechanisms, the principles of wastes processing, the requirements for presenting wastes for the state monitoring, activities to decrease the amount of the wastes, including nature utilization payments, as well as the compensation for the damages caused to the human health and environment by the legal entities and individuals, using the wastes, as well as requirements for state monitoring and legal violations.

- **Law on Environmental Oversight (2005)**

This Law regulates the issues of organization and enforcement of oversight over the implementation of environmental legislation of the Republic of Armenia and defines the legal and economic bases underlying the specifics of oversight, the relevant procedures, conditions and relations, as well as environmental oversight in the Republic of Armenia.

## ***Social Legislation***

**Constitution of RA** (adopted in 1995, amended in 2015) is a legal document which has supreme legal force over the other laws and normative acts. The Articles of Constitution guarantee environmental protection and sustainable development (Article 12), right to property (Articles 10, 60), freedom to choose employment and labor rights (Article 57), right to healthy, safe and

decent working conditions (Article 82).

**Codes:**

- RA Civic Code (1998); RA Labor Code (2004);
- RA Land Code (2001).

**Laws and Government Decree:**

- RA Law on Freedom of Information (September 23, 2003);
- The Law on Alienation of Property for the Needs of Society and State (2006)
- RoA Law On the Employment of Population and Social Protection in Case of Unemployment (2005, amended in 2010);
- RA Law on Equal Rights and Equal Opportunities for Women and Men (2013);
- RA Law on the Protection and Use of Fixed Cultural and Historic Monuments and Historic Environment (1998).
- Government Decree (19 Nov 2014 N 1325-N) on the Procedure for Public Notification and Discussion.

The term “environment” in the most recent **Law on Environmental Impact Assessment and Expertise (2014)** covers social sphere as well (health and safety of population). The social factors, demographic composition and population are taken into account during assessment and expertise. The environmental impact assessment report of planned activities should include also analyzed characteristic of potential social impacts, hazards and benefits.

The RA Law on Freedom of Information guarantees the right of citizens to be informed on the issues concerning their personal interests and to introduce their concerns to the decision makers. Government Decree (19 Nov 2014 N 1325-N) on the **Procedure for Public Notification and Discussion** defines procedure of public discussions and consultations. **Public participation and right to access of information** in environmental decision-making process, and in particular aspects, are protected by Constitution, by RA Law on Freedom of Information and RA Law on Environmental Impact Assessment and Expert Examination, as well as Aarhus Convention ratified by the Republic of Armenia in 2011.

**The land relationships** are regulated by **Land Code and Civic Code of RA**. The Constitution of RA recognizes and protects the right to private property. The Constitution states that the property can be alienated for social and state needs only in case of exceptional priority public interest, in accordance with the procedure set by the Law and on the basis of appropriate compensation. **The Law on Alienation of Property for the Needs of Society and State (2006)** stipulates the principles and foundations when the alienation of the property needs to be executed.

**The Labor Code** (2004) regulates the labor relations including the rights, obligations and responsibilities of employers. The Code deals with various aspects of collective and individual labor relations. The Code covers the following important issues: contracts of employment, hours of work, paid leave, maternity protection and maternity leave, minimum age and protection of young workers, equality, trade unions regulation, collective bargaining and collective agreements, labor dispute settlements and etc. Article 23 of the Labor Code is dedicated to the occupational safety and health, as well as working conditions.

**RA Law on the Employment of Population and Social Protection in Case of Unemployment (2005, amended in 2010)** provides the basic principles of state policy in the field of social protection. The Law introduces the principle of free choice of work and of social guarantees provided by the state.

**RA Law on Equal Rights and Equal Opportunities for Men and Women (2013)** regulates gender equality in all spheres of public life and protects women and men from gender discrimination.

In the sphere of cultural heritage legislation, the main document is **the Law on the Protection and Use of Fixed Cultural and Historic Monuments and Historic Environment (1998)**, which provides the legal and policy basis for the protection and use of cultural and historical monuments in Armenia and regulates the protection and use (operation) activities. Article 15 of the Law describes procedures for discovery and state registration of monuments, the assessment of protection zones and establishment of historic-cultural reserves. The Ministry of Education, Science, Culture and Sports (MoESCS) has jurisdiction over archaeological, historical, and cultural sites.

### **3.2 World Bank Safeguard Policies Triggered**

The TPQI Project triggers the World Bank OP/BP 4.01 Environmental Assessment and OP/BP 4.12 Involuntary Resettlement. None of the Project-supported activities are expected to have significant, long term, or irreversible impacts on the natural environment, therefore the Project is classified as environmental Category B. No Category A activities will be eligible for funding from the Project proceeds. Given that not all individual investments have been identified upfront and designs of civil works are not available at the Project preparation stage, site-specific safeguards documents could have not been produced by the time of Project launch either. However, the nature of expected civil works, their scope and a generic set of environmental and social risks associated with physical activities to be financed by the Project are clear and the risk mitigation mechanism is also worked out. The present ESMF carried detailed instruction for screening all sub-projects for their environmental and social implications, classifying into environmental categories and assessing their risks, recommending and guiding preparation of sub-project-specific Environmental and Social Management Plans (ESMPs), preparing environmental and social monitoring plans, and undertaking field monitoring of various types of works. The ESMF carries a suggested template of an ESMP Checklist for Small Construction and Rehabilitation Activities (Attachment 1). ESMPs will be disclosed and opened for comments from stakeholders prior to tendering of works. Requirements of OP/BP 4.12 are met by producing of a separate Resettlement Policy Framework document, which provides guidance on the identification of possible needs of resettlement and on the development of resettlement action plans as required.

The TPQI Project will finance physical works for the construction and rehabilitation of buildings (Sub-components 2.3 and 3.1), which may have certain negative environmental and social impacts. PPP Initiatives under sub-component 2.3<sup>1</sup> include construction activities and possibility of land use, acquisition or resettlement cannot therefore be excluded.

The WBG Environmental, Health and Safety (EHS) Guidelines also apply and are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP).

### **3.3 Gaps between Armenian legislation and the World Bank Requirements**

The revised law on Environmental Impact Assessment and Expertise passed in 2014 is closer to the international common practice, as it requires environmental and social risk analysis, establishes a more optimal system of disclosure and consultation, covers not only investment

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<sup>1</sup> e.g. under 2.3.1: Establishment of Engineering City

activities but sectoral and regional development programs as well, deals with trans-boundary impact assessment, etc. At the same time, rules of classification of activities into environmental categories differ to some extent from the principles set forth in the World Bank's OP/BP 4.01 Environmental Assessment. TPQI Project shall comply with both – the Law on Environmental Impact Assessment and Expertise and OP/BP 4.01. If an activity is subject to the State ecological expertise, then this procedure must be followed and activities shall commence upon issuance of the positive conclusion of the expert review. Regardless the above, activities classified as environmental category B according to OP/BP 4.01, will require environmental and social study of the design commensurate of the level of associated risks to be defined through the screening process. Public consultation process will imply disclosure and discussion of not only EIA reports as required by the national legislation, but also publishing and consulting on the draft Environmental and Social Management Plans (ESMP). Furthermore, although not required by national rules and regulations, ESMPs will be included into tender packages and attached to contracts for the provision of civil works, so that they are legally binding and mandatory for adherence by works providers.

In difference from the national legislation, the World Bank's OP/BP 4.12 Involuntary Resettlement requires due compensation to informal users of land and other property, so that no one gets worse of as a result of the World Bank financed operations. In addition, the Bank policy implies restoration of livelihood of the project-affected people, which goes beyond one-shot payment of monetary compensation. The World Bank policy requirements pertaining the establishment and operation of an effective, multi-tier mechanism of receiving and entertaining public complaints and appeals – Grievance Redress Mechanism - will be adhered throughout the Project implementation, as it is more comprehensive and rigorous as compared to the one offered by the national legislation.

### **3.4 Licenses and permits to be obtained by the Project proponent and by works contractor to carry out project activities**

The licenses and permits to be obtained by the Project proponent and contractors to implement construction-related activities are listed below:

- License for the development of architectural drawings (except for works that do not require a construction permit) to be held by a design company;
- License for urban construction activities to be held by a contractor providing works;
- License for technical supervision of construction (except for works that do not require a construction permit);
- Conclusion on the technical condition of the building to be issued by a licensed organization that proves that existing building meets the established level of earthquake resistance;
- Agreements from the local municipalities for disposal of excavated materials and construction wastes in the approved dump sites to be obtained by contractors prior to commencement of construction works;
- Water connection technical conditions to be provided by drinking water supply and wastewater removal operator to design company;
- Construction permit (except works that do not require a construction permit) to be obtained from relevant municipality.
- Certificate of State Registration of the User Rights of Real Estate.

### 3.5 National Technical Standards

- The RA Health Minister's N 138 order as of March 6, 2002 on approving N2 – III – 11.3 sanitary norms on *Noise at Workplaces, Public and Residential Buildings, and Residential Construction Areas*.
- The RA Health Minister's N 01-N order as of January 25, 2010, on *Approving Sanitary Rules and Norms of Soil Quality Hygiene Requirements* N 2.1.7.003-10.
- The RA Health Minister's N 533-N order as of May 17, 2006, on *Approving HN N 2.2.4-009-06 Vibration Hygiene Norms at Workplaces, Residential and Public Buildings*.
- The RA Government Decision N 1643-N as of December 14, 2017 on the *Establishment of Technical Regulations for Requirements on Re-cultivation and for Classification of Disturbed Lands Which Are Subject to Re-cultivation*.
- *Design norms for seismic resilient construction HShN II-6.02-2006*. All new buildings under the TPQI Project must comply with seismic code regulations defined in order No 24-N of the Minister of Urban Development dated February 3, 2006. Buildings suggested for rehabilitation under TPQI Project will be checked for the existence of structural damage and seismic stability. An existing building may be approved for rehabilitation under the condition that it is reinforced in the manner sufficient to address incurred structural damage and achieve the established standard of seismic stability.

### 3.6 Institutional framework

The Staff of RA Prime Minister's Office (PMO ) oversees the implementation of the Project through a Project Management Unit (PMU) set up within the PMO. PMU established within the PMO is responsible for coordinating the overall project implementation, providing advice and support to the implementing agencies, financial management and procurement functions, ensuring compliance of the Project with national legislation and WB environmental and social policies and procedures, conducting monitoring and evaluation of the Project, and reporting to the World Bank and the PSC on the progress of Project implementation.

The key Project implementation entities are comprised of:

- RA Prime Minister's Office (PMO)/Project Steering Committee (PSC);
- Ministry of Economy of RoA (MoE);
- Ministry of High Technology Industry of RoA (MoHTI);
- Project Management Unit (PMU);
- Implementing Agencies (ANIF, EIF, ISC, NBSM NAB);

In addition to PMU the following Implementing agencies are involved in the implementation of the Project: Armenian National Interests Fund (ANIF), Enterprise Incubator Foundation (EIF), National Institute of Metrology (NBSM), National Accreditation Body (NAB) and "Investment Support Center "Fund (ISC).

High-level management of the Project is carried out by the Project Steering Committee (PSC), which is both the governing body for the Project and is responsible for overseeing and supervising the implementation of the Project. The PSC is chaired by the Deputy Prime Minister with representation of several key participating institutions: MoE, MoHTI, EIF and Deputy Prime Minister Office.



### **Ministry of Environment**

The Ministry of Environment (MoEnv) elaborates and implements the policies of the RoA in the areas of environmental protection and sustainable use of natural resources and is represented by the Minister and the Staff of the Ministry. Within the system of the Ministry, there are also State Non-Commercial Organizations (SNCO) and Institutions.

*Environmental Impact Expertise Centre SNCO* of the MoEnv conducts environmental assessments of design documentation for construction, reconstruction, extension, and maintenance of industry-related production units, auxiliary facilities, and infrastructure, including waste utilization sector, according to the requirements of national legislation and ratified international agreements and issues experts' conclusions.

*Environmental Impact Monitoring and Information Center SNCO* of the MoEnv monitors water and air quality in different areas of the country through its network of observation points.

### **Inspectorate for Nature Protection and Mineral Resources**

Inspectorate for Nature Protection and Mineral Resources under the GoA includes 11 Regional Inspectorates and oversees the implementation of legislative and regulatory standards in natural resources protection, use and regeneration. It also conducts environmental inspections at worksites for control of environmental measures and valid permits.

## **CHAPTER 4. ENVIRONMENTAL AND SOCIAL SCREENING**

The TPQI Project will finance the refurbishment of NBSM and NAB under Component 3. Renovation of a building to house the two key industrial metrology laboratories and procurement of equipment and furniture for the laboratories built under the project. The project will also finance the design and construction of common areas of Engineering City: Engineering Center-Engineering Plaza, Museum of Science & Technology and Museum of Space, Engineering Business Accelerator and Co-Working Space. Additionally, approved resident companies will finance the construction of 22 EC Residents buildings. The resident companies will be required to comply with the environmental and social instruments of the TPQI project, as well as the ESMP prepared and approved under the TPQI project for the construction of Engineering City.

The Engineering Business Accelerator and Co-Working Space will be undertaken as part of the PPP sub-projects to be financed under the Component 2. The envisaged civil works will have modest local environmental and social impacts, which would be easy to mitigate by ensuring that works providers adhere to the conventional good construction and environmental practices. The Project triggers OP/BP 4.01 and, based on the principles of this Policy, is classified as environmental Category B. All individual investments to be financed under the TPQI Project must fall under environmental Category B or C, and no Category A activities will be eligible for the Project support.

The PMU has in-house capacity to apply safeguards due diligence in its daily operation. Environment and Social Specialist (ESS) hired by PMU is responsible for environmental and social screening of all proposed activities under the Project, including the Exporter Development Grants, and PPP Initiatives under sub-components 2.2 and 2.3, respectively. The ESS is responsible for determining the expected environmental and social impacts, the scope of environmental and social work as well as the type and format of safeguards documentation required for the proposed activities. To do so ESS will closely collaborate with design consultants and relevant implementing agencies other than PMU (ISC, EIF, NBSM, NAB, etc.). These agencies will be responsible to provide any information needed for environmental and social

screening, assessment and monitoring under their competency.

The ESS hired by PMU will be responsible for holding training and awareness-raising sessions for all involved entities – implementing entities and beneficiary institutions such as EIF, NAB, NVF, MoHTI, among others – to ensure their understanding of the key environmental and social instruments (ESMF, ESMPs, RPF) and requirements under the project and of their specific roles in the functioning of the Project Grievance Redress Mechanism. All awareness and training sessions will be documented by the ESS and written records kept within PMU.

The PMU will filter out any activity which is ineligible for the Project financing. These include the activities which are not in line with the Project objectives, violate the national legislation, and fall under environmental Category A. Involuntary resettlement (actual physical displacement of households) will be ineligible. If beneficiaries of grant activities make any land/property transactions those should be made on willing buyer-willing seller basis but documentation should be readily provided to make sure that all transactions are legal and there are no involuntary resettlement impacts. All other impacts will be screened, and should any other types of involuntary resettlement impacts be identified, (abbreviated) resettlement action plan should be prepared and impacts and losses will be compensated in accordance with the RPF. Under sub-component 2.2, no activities which have resettlement impacts will be permitted. Under sub-component 2.3, grants to activities which will involve resettlement impacts will be avoided.

Under Component 2, three implementation manuals have been developed and approved during project implementation, including Exporter Development Grants Implementation Manual, IT, High-Tech and Engineering PPP Implementation Manual and Innovation Matching Grants operations manual.

The Exporter Development Grants Implementation Manual describes the program and its objectives, participation eligibility criteria, size of grants, eligible expenditures, competition procedure, including application and evaluation process, as well as grant management requirements. In accordance with the EDG Implementation Manual grant beneficiaries are responsible for full compliance with national environmental and social legislation including on waste management, construction, obtaining of permits, compliance with laws and norms on labor and working conditions, among others. Compliance obligations with the project ESMF, RPF, and national environmental and social legislation will be clearly specified in grant agreements to be signed by beneficiaries. The budget for implementing all requirements has been included in the grant project cost. The EDG Implementation Manual also covers procedures for environmental and social monitoring and reporting, associated activities, incident reporting, and indicates the distinct roles and responsibilities of grant beneficiaries, implementing agencies and PMU.

The IT, High-Tech and Engineering PPP Implementation Manual describes the objectives, eligibility requirements, flow of funds, as well as other pertinent procedures applied to PPP Programs – 1) Cluster Development PPPs and 2) Research and Skills Development PPPs. It defines Minimum Eligibility Criteria of the Proposals including the initial assessment of safeguard documents prepared by an applicant for the proposed activity under PPP Initiative, procedure of environmental and social screening, management and monitoring, distinct roles and responsibilities of grant beneficiaries, implementing agencies and PMU regarding Environmental and Social safeguards compliance.

The Innovation Matching Grants Implementation Manual describes the matching grants program and competition objectives, participation eligibility criteria, size of grants, eligible expenditures, competition procedure, including application and evaluation process, as well as grant management

requirements pertaining to all three grant programs, and outlines special requirements applicable to each. Eligible expenditures (both matching grant expenses and co-financing) under the matching grants programs include hardware, software, project related staff salaries and consultants' fees, certification, other valid expenses which do not impose any environmental and social risk.

For Sub-component 2.2 (EDG and IMG ) environmental and social screening will be done by the PMU ESS and based on the grant project category: if category B, sub-project ESMP will be prepared by the PMU ESS; or if category C, only the screening will be documented and no safeguard instrument will be prepared. The grant applications produced by each beneficiary will be screened by the ESS before approval, which will ensure that plans do not pose adverse environmental and social risks and impacts. The initial screening for the eligibility of the subproject will be based on the “World Bank's list of “Excluded Expenditures” on Goods and Services and Additional Eligibility Criteria”, and ineligible expensitured as per this document will not be considered for financing. Only sub-projects that meet the eligibility criteria and have no adverse environmental and social impacts will be approved. The E&S screening will be required for each grant application with further monitoring and reporting on the implementation every six months to verify that commitments under the application and screening checklist are being met.

## CHAPTER 5. POTENTIAL IMPACTS

### Environmental impacts

The NBSM and office space of NAB to be refurbished are located in the Arabkir district of Yerevan. NAB space is a part of a larger building, other parts of which are used by other institutions.

The new Engineering City will be located on around 3 hectares of land on Bagrevand street in Yerevan. It will comprise of the Engineering Center-Engineering Plaza, Museum of Science & Technology and Museum of Space, Engineering Business Accelerator/Co-Working Space building, and twenty-two Resident Buildings.

None of the project-supported activities are expected to have significant, long term, or irreversible impacts on the natural environment. The vast majority of the potential adverse impacts are likely to occur during the construction period. Long term environmental impacts are expected to be generally neutral.

The main potential negative environmental impacts during project implementation are as follows:

*Pollution with construction run-offs.* As a result of fuel/lubricant leakage from machinery and stockpiled waste materials, oil products and chemicals may pollute soil, penetrate to the groundwater or run off to surface water bodies. Servicing and washing of vehicles and machinery in proximity to natural streams may also result in water pollution from construction run-offs. If construction camps are established on-site, environmental pollution may occur from sanitation facilities provided at these camps.

*Impacts on biodiversity.* During the construction period, earthworks may result in damage to the vegetative cover. Borrowing for construction materials, disposal of excess material and waste may also lead to disturbance of wildlife, including impacts on habitats. However, because all works will be undertaken mainly in the developed area, significant damages are unlikely, as well

as impacts on critical or natural habitats.

*Noise, vibration, and temporary air pollution.* Dust will be generated due to earthworks, transportation of construction materials/waste and truck traffic. Dust and the bitumen smoke arising from road construction works will have localized and temporary negative impact on the air quality. A significant increase in noise levels is expected during demolition, construction and transportation activities, in particular, during the earthworks, pneumatic drilling, cranes operations, equipment dismantling or installation. Noise and vibration will cause a nuisance to local communities during works undertaken in the immediate proximity to settlements.

*Generation of excavated material and construction waste.* The following types of wastes will be generated during the construction phase: demolition debris, excess soil and rock; removed shrubs or branches; and household waste generated from the presence of construction workers on-site and from the operation of construction camps.

*Safety hazards from construction activities.* Direct impacts on health and safety during construction of the planned construction/rehabilitation works may result from various factors such as working at heights, crane/bulldozer operations, welding works, and sanitary situation during construction, etc. A potential impact for the health and safety of workers could be further related to work accidents during construction (fall of structures) or due to contaminated drinking water or food.

*Traffic.* The negative interference to traffic could be expected to occur during the rehabilitation /construction activities. All efforts will be made to minimize the amount of time that construction machinery and trucks are on a roadway in order to avoid any accidents or damage to material assets. The construction contractor will station workers on highways to block traffic when necessary and to notify drivers to proceed with caution. They also will direct traffic when heavy equipment is crossing the road. Increased speed and expected higher traffic volumes can increase the number of traffic accidents. Proper traffic management will avoid negative traffic impacts as far as possible.

*Historic and Cultural Sites.* There may be a potential of chance finds in case of new construction.

### Operation phase

Commonly encountered risks related to the operation of public or private company buildings include poorly organized collection and disposal of household waste; improper maintenance of land plot area around buildings; lack or malfunctioning of stormwater drainage systems; leaking roofs and water pipes due to no checks and timely repair; and irregular cleaning of snow from access roads and roofs of the buildings. Other impacts on the health of personnel at the operation phase may result from improper natural and artificial illumination and ventilation of the buildings, from the operation of power supply and heating systems.

## **Social Impacts**

Physical construction works envisaged within the framework of TPQI Project potentially may have some negative social impacts, including temporary restriction of access to the private and public properties limited to the construction period. Land acquisition and resettlement impacts, as well as impacts on private assets or livelihoods are not anticipated. A Resettlement Policy Framework (RPF) has been developed for the TPQI Project implementation, which describes all potential resettlement issues and provides guidance for developing site-specific Resettlement

## Action Plans.

For the purposes of ensuring that rehabilitation/construction works have minimal negative social and environmental impacts, the Environmental and Social Management Checklist for Construction and Rehabilitation Activities (see Attachment I) will be filled out for each sub-project. The Checklist identifies potential site-specific environmental and social risks associated with construction works, provides a menu of their mitigation measures and sets out a plan for overseeing their implementation. If resettlement or the possibility of other negative social impacts are detected in a result of social screening, a Resettlement Action Plan (RAP) or social mitigation plan, respectively, will be drafted.

The project is not expected to cause adverse social impacts. Civil works may cause temporary disruptions to nearby communities such as increased levels of noise, dust, or temporary disruptions to traffic. These will be mitigated through measures to be described in site-specific ESMPs. Any accidental damages by contractors – in accordance with ESMP – will be fully restored or compensated by the contractor.

A potential social impact relates to the inclusive and equitable use and access to project-supported facilities for all citizens. Project investments will be designed in an inclusive manner ensuring universal access for persons with disabilities, and to the extent possible, sub-projects will be located in easy to access and well-connected areas to public transportation. The project will be implemented in strict adherence to the principles of equality and non-discrimination. Access to services and supplies, funded under the project, will be provided to all people, regardless of their social status, based on the urgency of the need.

The project will adopt differentiated measures to ensure the inclusion and equal participation of vulnerable groups, i.e., persons who may be disproportionately impacted or further disadvantaged by the project(s) as compared with any other groups due to their vulnerable status, or persons that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project. In the context of Armenia and the current project, such groups may include poor, unemployed, socially disadvantaged citizens, elderly, persons with disabilities or their caregivers, single parents, representatives of ethnic, religious, or language minorities, residents or remote rural locations, among others. To the extent possible, the project will make accommodations so that such groups may receive information, access services, access public consultations be able to provide their feedback to project activities, as well as access the grievance redress mechanism.

## **CHAPTER 6. IMPACT MITIGATION**

### **Licenses and permits**

Prior to the commencement of works and at the early stage of construction, the Project implementing entity should ensure that all required licenses and permits are in place, including those to be obtained by the project implementing entity and by the construction contractors.

### **Ensuring worksite safety**

- Worksites should be properly demarcated and fenced; warning signs installed, and safe pedestrian and traffic movement allowed around work sites.

- Construction workers and personnel should have access to safe drinking water and toilets. First aid medical kits should be available on-site, as well as fire extinguishing kits. Workers, personnel, and any visitors should be supplied with relevant personal safety gear. The use of safety equipment must be enforced. Workers should receive worksite safety training. Construction equipment should be inspected, licensed used strictly following its operating instructions.
- Local traffic management regime will be introduced if congestion is likely.

### **Preventing pollution of soil and water**

- Machinery should be kept in good working condition and idling of engines should be prohibited to reduce noise. Watering of construction sites in dry weather and during operations that generate excessive dust should be required. Construction machinery and equipment should be serviced and fuelled outside construction sites and no hazardous waste from machinery, such as used tires, oils and filters should be scattered on site. If performed on-site, a non-permeable surface should be provided for fuelling and a stock of absorbents should be kept for addressing accidental spills. Washing of machinery must be forbidden in proximity to surface water bodies. Used automobile oil, stock of fuel and oil, and other hazardous substances must be kept also upon non-permeable surfaces, preferably under shelter and in safe from fire. In case of construction camps include housing for workers, septic tanks or pit toilets should be provided and maintained in a manner preventing direct discharge to surface water bodies and deterioration of sanitary conditions.

### **Preventing air pollution**

- Prevention of air pollution with dust and emissions by watering of access roads and construction sites must be done as appropriate. Ensure good operation condition of vehicles and machinery in order to prevent excessive emissions. Also, disallow idling of engines.
- Additional measures planned to maintain air quality include locating concrete mixing plant and stockpiles in isolated areas, as well as confining working vehicles to designated routes only following the established schedule. Trucks loaded with loose construction materials (such as gravel, sand, soil, etc.) shall be covered to minimize dust emissions during transportation;

### **Managing waste**

- Construction materials and waste should be piled in especially allocated spots of the construction site and be periodically out-transported to avoid excessive accumulation.
- Construction materials and waste should be transported under covered hoods of trucks.
- Construction waste should be disposed in especially allocated locations agreed with local municipalities.
- Dumping and the accumulation of construction waste and construction materials in and around work sites will be prevented by designating locations for on-site piling of waste and materials. PMU will ensure that works contractors have formal agreement with local authorities for the final disposal of all types of waste;

- PMU will ensure that the work sites are fenced and demarcated, that dumping is and/or stockpiling of construction material and waste outside the delineated work sites is prevented;
- Upon completion of physical activity on site, area should be cleared from any remaining materials and waste, and harmonized with the surroundings.

### **Chance finds**

In the event of chance finds or possible cultural or historical significance, the construction contractors will be instructed to put the activity on hold, to immediately notify the client, and to resume works only upon receiving formal notification from the client.

### **The operation of the Engineering City will generate a variety of wastes, including household, liquid, and hazardous wastes. The waste management system must include:**

- separate wastes (household, hazardous, liquid);
- provide adequate containers for the separated collection of waste, provide safe on-site waste storage facilities, and convenient access to such facilities by waste transportation vehicles;
- conclude contractual arrangements with specialized companies licensed for the removal, deactivation, and disposal of hazardous waste;
- connect the buildings to the municipal wastewater collection systems and provide adequate maintenance to ensure flawless operation of internal sewerage.

### **The operation of hot water supply and heating systems, as well as the running of emergency back-up systems of power generation, emits to the ambient air. In order to minimize the negative impacts of emission:**

- install and operate high quality and energy-efficient cooling/heating units;
- provide adequate insulation of buildings to decrease energy consumption;
- keep the boiler and other equipment in good working condition to avoid excessive fuel use and emissions.

### **Grievance Redress Mechanism**

Grievance redress mechanisms (GRMs) are considered as an effective tool for early identification, assessment and resolution of complaints on Project activities. Therefore, the early identification and understanding of possible complaints can help to further improve the sub-projects.

There are number of purposes the GRM serves, among which the most important ones can be considered as:

- ✓ being responsive to the needs of the beneficiaries, by addressing and solving their grievances;
- ✓ serving as a channel inviting suggestions and increasing community participation;
- ✓ collecting information to be used for improving operational performance of the Project;
- ✓ promoting transparency and accountability;
- ✓ deterring fraud and corruption, thus mitigating Project risks.

The PMU Manager Assistant will cover the position of the Grievance Specialist within the frames of the Project. The main requirement for the Grievance Specialist (except of the professional compliance) will be the impartiality: he/she must have no conflict of interests, i.e. should not be involved in the implementation (not monitoring) process of any of the Project components.

All related agencies/stakeholders are aware of safeguard requirements, communities/affected persons are identified, consulted, mitigation and compensation measures applied, GRM is functioning.

From all agencies are nominated Grievance Specialist, whom contacts are published in their agencies web pages. He/she will register grievance, responds back to citizens, maintains grievance log and records.

A key feature of an effective GRM is the availability of multiple channels by which citizens can contact project authorities. PMU and all project implementing agencies will ensure that channels for submitting feedback and grievances are widely communicated to the public with a focus on potentially affected parties and other interested parties. Channels for advertising GRM information and for contacting project authorities include, among others, address, telephone, email, web-tools, social media (facebook, whatsapp), banners posted on and around work sites, flyers/posters/brochures including project information, virtual and face-to-face consultation meetings.

The PMU ESS will ensure that all project implementing and beneficiary agencies are aware and trained on their role in the GRM. Civil works contractors will also be instructed on their role and responsibility for recording, referring, and resolution (where applicable) of grievances.



**List of grievance contact persons from each implementing agency**

<i>Agency</i>	<i>GRM focal point name</i>	<i>GRRM focal point contacts</i>	<i>Agency web page/social network for GRM</i>
TPQI Project	Ms. Sona Darbinyan Project Assistant, TPQIP	010515580 <a href="mailto:s.darbinyan@tpqi.am">s.darbinyan@tpqi.am</a>	<a href="#">Facebook page (Trade Promotion &amp; Quality Infrastructure)</a>
RA Prime Minister Office	Ms. Aneta Babayan Adviser to the RA Deputy Prime Minister Tigran Avinyan	010515736 <a href="mailto:aneta.babayan@gov.am">aneta.babayan@gov.am</a>	<a href="https://www.gov.am/">https://www.gov.am/</a>
RA Ministry of Economy	Ms. Zhanna Zakaryan Head of Department of Quality Infrastructure Development, MoE	011597165 <a href="mailto:zhzakaryan@mineconomy.am">zhzakaryan@mineconomy.am</a>	<a href="https://www.mineconomy.am/">https://www.mineconomy.am/</a> <a href="https://www.mineconomy.am/contact-us">https://www.mineconomy.am/contact-us</a>
RA Ministry of High-Tech Industry	Ms. Anahit Khachaturyan Projects Department, MoHTI	<a href="mailto:Anahit.khachaturyan@hti.am">Anahit.khachaturyan@hti.am</a> 010590129 (429)	<a href="https://hti.am/">https://hti.am/</a> <a href="https://hti.am/main.php?lang=1&amp;page_id=644">https://hti.am/main.php?lang=1&amp;page_id=644</a>
Investment Support Center	Mr. Sargis Hovhannisyan, Export Project Coordinator, ISC	012563714 <a href="mailto:sargis.hovhannisyan@isc.am">sargis.hovhannisyan@isc.am</a>	<a href="http://smednc.am/">http://smednc.am/</a>
Armenian National Interests Fund	Ms. Gohar Simonyan, Head of internal audit	060830013, 091810801 <a href="mailto:Gohar.simonyan@anif.am">Gohar.simonyan@anif.am</a>	<a href="https://www.anif.am/">https://www.anif.am/</a>
Enterprise Incubator Foundation	Ms. Marina Minasyan, Project Manager, EIF	011219727 <a href="mailto:Marina.minasyan@eif.am">Marina.minasyan@eif.am</a>	<a href="http://eif.am/">http://eif.am/</a>
National Body of Standards and Metrology	Mr. Gevorg Martoyan Quality manager, NBSM	010232600 (154) <a href="mailto:gmartoyan88@gmail.com">gmartoyan88@gmail.com</a> <a href="mailto:martoyan@metrology.am">martoyan@metrology.am</a>	<a href="http://www.metrology.am/">http://www.metrology.am/</a>
National Accreditation Body SNCO	Ms. Nazik Abgaryan, Administration Manager NAB	043601630, 093601630 <a href="mailto:nabgaryan@armnab.am">nabgaryan@armnab.am</a>	<a href="http://www.armnab.am/">http://www.armnab.am/</a>

The basic GRM procedure under the TPQI project is as follows:

The Applicant submits a grievance (including all the necessary documents used before that moment) to the respective agency Grievance Specialist via one of the ways specified in their webpage and announced at and around work sites and during public consultations. The grievance specialist will collect the necessary information to understand the content of the grievance.

The Project Grievance Specialist will acknowledge receipt within two days of receiving the grievance and will review the grievance within 14 (fourteen) calendar days, including verifying, cross-checking, and analyzing information, as applicable to the case. Based on the conducted review, the Project Grievance Specialist will prepare his/her Recommendation Report to the Manager.

If the Grievance Specialist provides a report that the grievance can be easily addressed at the Project level, the Manager reviews the case within 7 (seven) calendar days and forwards it to the relevant specialist at the Project instructing to proceed with the applications in officially assigned manner. The assigned specialist re-accepts the application and forwards it through the procedures of the Component within which responsibilities the complaint is framed.

Receiving the negative result of the grievance review the Applicant is free to undertake the one of the following decisions: a) accept the Project Manager's decision as it is and stop the grievance, or b) open a Court Case on the issue in accordance with the RA Legislation.

Once the Project Manager makes its decision the Project Grievance Specialist communicates the outcome / resolution of the grievance to the complainant, and disseminates the information via the special section of the Project webpage within 14 (fourteen) calendar days, and (if necessary) recommends respective changes in the procedures of the Components and the Project and the WB.

### Grievance Log

It is important that all complaints are recorded in writing and maintained in a database (Project Feedback and Grievance Log). Complaints received should be assigned a number that will help the specialist of the Project assigned as a focal point to track progress via the database. The database should at least contain relevant information on the date of submission, sphere of issue, responsible party, deadline for the problem solving and feedback (positive or negative). Complaints received by any of the project implementing agencies and contractors will be recorded in the consolidated project grievance log.

### The Court Level

Citizens are free to open a Court Case (in accordance with the RA Legislation) related to the decisions of the Components and the Project at any moment, i.e. once they are rejected on the pre-selection, or selection stages. Opening a Court Case means stopping all the activities regarding the grievance within the Project GRM system. Once the case is opened, only decisions made by the Court are becoming obligatory both for the Applicant and the Project/ All agencies included in the project.

## **CHAPTER 7. SITE-SPECIFIC ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANNING**

The PMU will carry out environmental and social screening of the proposed investments. Once a building is confirmed for rehabilitation under the Project, or a land plot is identified for construction, PMU will inspect the area in order to identify environmental and social risks associated with the proposed works in the given location. At this stage, the environmental classification of the proposed sub-project will be undertaken and in an unlikely case of a sub-project falling under environment Category A, it will be rejected.

All draft ESMPs or ESMP Checklists will be submitted by PMU to the World Bank for review and approval. Upon approval by the World Bank, PMU will publicly disclose ESMPs and organize public consultations. Following public consultations, ESMPs with consultation minutes will be re-submitted by PMU to the World Bank for clearance. Final draft ESMPs will be re-disclosed at the social network of the PMU, website of the World Bank, as well as by relevant agencies.

The PMU will include ESMPs into tender packages and will attach ESMPs to works contracts, making their implementation mandatory for works contractors. Technical supervisor of the Contractor will supervise of ESMP mitigation measures implementation and provided respective report on monthly basis to PMU. In case a works provider violates requirements of ESMP or otherwise causes environmental damage, then the PMU, through its environmental and social consultant, will work out a time-bound plan for damage liquidation and the contractor will be obligated to implement it. Works contracts shall, therefore, carry adequate provisions for imposing environmental damage liquidation upon contractors.

The PMU will hire a licensed technical supervisor of works, and will include environmental supervision into the terms of reference of such supervisor. The supervision consultant will be obligated to produce monthly environmental supervision reports of all active sub-projects. Overall responsibility for the environmental and social compliance under TPQI Project will rest with the PMU. Therefore, the in-house environmental and social consultant of the PMU will be mandated to assure the quality of environmental and social monitoring of works undertaken by the technical supervisor. This would imply verification of information provided by the technical supervisor through occasional spot-checks on site. Environmental consultant to the PMU will also be expected to inform the PMU management on any outstanding issues that may arise in the course of civil works, and to propose relevant course of corrective action.

## **CHAPTER 8. ENVIRONMENTAL AND SOCIAL MONITORING**

The Staff Office of Deputy Prime Minister oversees the implementation of the TPQI Project. The PMU of the TPQI Project will carry overall responsibility for its environmental and social compliance through its environmental and social safeguard specialist.

A licensed consultant company will be hired for the technical supervision of work, which will include environmental and social monitoring of sub-projects. Works supervisor will produce monthly field monitoring reports using the checklist attached to this ESMF and Contractor's Contract. The PMU will ensure quality of supervising company's work by review of their reports and by verification of information through spot-checking field visits of PMU's own staff. PMU will also be responsible for reacting on any issues reported by the supervision company and organizing remedial actions as required. Based on the information provided by the supervision company on monthly basis, PMU will produce periodic overviews of the status of environmental

and social compliance of civil works to be included into the regular TPQI Project progress reports and furnished to the World Bank.

Any incidents, including related to occupational health and safety (OHS), that may occur at the Project sites must be immediately reported to the WB within 48 hours without postponing that till a regular progress report is due. Towards this end, PMU must include the requirement to promptly report on OHS incidents into the contracts signed with the providers of works and work supervision consultants. Once a notice on an OHS incident arrives to the PMU, it must be instantly communicated to the WB with the inclusion of sufficient detail known at the moment of reporting.

The PMU Environmental and Social Specialist is also responsible to ensure that a ESMP prepared and implemented for all construction and refurbishment sub-projects and RAP is prepared and implemented for sub projects which entail any type of land acquisition/use or involuntary resettlement. No contractors may be mobilized to a work site unless a ESMP and RAP completion report has been furnished to and cleared by the World Bank.

## **CHAPTER 9. STAKEHOLDER CONSULTATION**

The present ESMF shall be disclosed through the web page of MoHTI and in social network of the PMU in Armenian and English languages. Public consultation meeting shall be conducted to discuss it with stakeholders. The minutes of the consultation meeting is attached to this ESMF (Attachment III). The finalized document will be re-disclosed in-country and through the World Bank's electronic database. Opportunities to involve NGOs in the project, including in information- sharing among professional networks and awareness raising on the Project activities and results would be promoted.

### **Consultation on the ESMPs**

All draft ESMPs, once developed, will be disclosed through the social network of the PMU in Armenian and English languages and several hard copies in Armenian language will be placed in the offices of local governments for convenient access by the project-affected communities. Consultations will be advertised widely among potential project-affected persons and other interested parties (such as business or civil society organizations, citizens, academic institutions, government agencies, etc.). PMU will consult with implementing agencies on the most convenient and adequate format and medium for engaging affected people and beneficiaries into commenting on the ESMPs. Received feedback will be incorporated into the final versions of ESMPs.

## **CHAPTER 10. REPORTING**

The PMU will be responsible for reporting on TPQI Project progress to PMO and the World Bank. Providing information on the environmental and social compliance will be an integral part of the project progress reporting. The PMU reports will contain analytical information on the overall status of environmental and social compliance of works within the report period, will flash out issues encountered and remedial measures applied. Monthly field environmental monitoring checklists provided by the technical supervisor to the PMU and will be send to WB directly.

Regular Project progress reports should include information on any OHS incidents that have occurred in the reporting period, along with follow-up action undertaken. If no incidents have occurred, every progress report should state so.

## **ATTACHMENTS**

Attachment I: Environmental and Social Management Checklist for Construction and Rehabilitation Activities

Attachment II: Field Environmental and Social Monitoring Checklist

Attachment III: Minutes of Public Consultation Meeting(s)

## Attachment I

### Environmental and Social Management Checklist for Construction and Rehabilitation Activities

#### General Guidelines for use of ESMP checklist:

For low-risk topologies, such as school and hospital rehabilitation activities, the ECA safeguards team developed an alternative to the current ESMP format to provide an opportunity for a more streamlined approach to preparing ESMPs for minor rehabilitation or small-scale works in building construction, in the health, education and public services sectors. The checklist-type format has been developed to provide “example good practices” and designed to be user friendly and compatible with safeguard requirements.

The ESMP checklist-type format attempts to cover typical core mitigation approaches to civil works contracts with small, localized impacts. It is accepted that this format provides the key elements of an ESMP or Environmental and Social Management Framework (ESMF) to meet World Bank Environmental Assessment requirements under OP 4.01. The intention of this checklist is that it would be applicable as guidelines for the small works contractors and constitute an integral part of bidding documents for contractors carrying out small civil works under Bank-financed projects.

The checklist has three sections:

Part 1 includes a descriptive part that characterizes the project and specifies in terms the institutional and legislative aspects, the technical project content, the potential need for capacity building program and description of the public consultation process. This section could be up to two pages long. Attachments for additional information can be supplemented when needed.

Part 2 includes an environmental and social screening checklist, where activities and potential environmental issues can be checked in a simple Yes/No format. If any given activity/issue is triggered by checking “yes”, a reference is made to the appropriate section in the following table, which contains clearly formulated management and mitigation measures.

Part 3 represents the monitoring plan for activities during project construction and implementation. It retains the same format required for ESMPs proposed under normal Bank requirements for Category B projects. It is the intent of this checklist that Part 2 and Part 3 be included into the bidding documents for contractors, priced during the bidding process and diligent implementation supervised during works execution.

## CONTENTS

- A) General Project and Site Information**
- B) Safeguards Information**
- C) Mitigation Measures**
- D) Monitoring Plan**

## PART A: GENERAL PROJECT AND SITE INFORMATION

<b>INSTITUTIONAL &amp; ADMINISTRATIVE</b>			
Country			
Project title			
Scope of site-specific activity			
Institutional arrangements (WB)	Task Team Leader: (insert)	Safeguards Specialists: (insert)	
Implementation arrangements (RoA)	Implementing entity: (insert)	Works supervisor: (tbd)	Works contractor: (tbd)
<b>SITE DESCRIPTION</b>			
Name of institution whose premises are to be rehabilitated			
Address and site location of institution whose premises are to be rehabilitated			
Who owns the land? Who uses the land (formal/informal)?			
Description of physical and natural environment around the site			
Locations and distance for material sourcing, especially aggregates, water, stones?			
<b>LEGISLATION</b>			
National & local legislation & permits that apply to project activity			
<b>PUBLIC CONSULTATION</b>			
When / where the public consultation process will take /took place			
<b>ATTACHMENTS</b>			
Attachment 1: <a href="#">Site map/photo</a>			
Attachment 2: <a href="#">Construction permit (as required)</a>			
Attachment 3: <a href="#">Agreement for construction waste disposal</a>			
<a href="#">Others – as required</a>			

Information on works supervisor, works provider (contractor), and the attachments will be provided later, prior to mobilization of a selected works provider to a work site



**PART B: SAFEGUARDS INFORMATION**

<b>ENVIRONMENTAL /SOCIAL SCREENING</b>			
	<b>Activity/Issue</b>	<b>Status</b>	<b>Triggered Actions</b>
Will the site activity include/involve any of the following?	1. Building rehabilitation	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>A</b> below
	2. Small scale new construction	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>A</b> below
	3. Individual wastewater treatment system	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>B</b> below
	4. Historic building(s) and districts	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>C</b> below
	5. Acquisition of land <sup>4</sup>	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>D</b> below
	6. Hazardous or toxic materials <sup>5</sup>	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>E</b> below
	7. Traffic and Pedestrian Safety	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>F</b> below
	8. Social Risk Management	<input type="checkbox"/> Yes <input type="checkbox"/> No	If “Yes”, See Section <b>G</b> below

<sup>4</sup>Land acquisitions includes displacement of people, change of livelihood encroachment on private property this is to land that is purchased/transferred and affects people who are living and/or squatters and/or operate a business (kiosks) on land that is being acquired.

<sup>5</sup>Toxic / hazardous material includes but is not limited to asbestos, toxic paints, noxious solvents, removal of lead paint, etc.

## PART C: MITIGATION MEASURES

ACTIVITY	PARAMETER	MITIGATION MEASURES CHECKLIST
<b>0.</b> General Conditions	Notification and Worker Safety	<ul style="list-style-type: none"> <li>(a) Notify local construction and environment inspectorates and communities on the upcoming activities</li> <li>(b) Notify public on the works through appropriate notification in the media and/or at publicly accessible sites (including the site of the works)</li> <li>(c) Acquire all legally required permits for construction and/or rehabilitation</li> <li>(d) Formally agree with Employer that all work will be carried out in a safe and disciplined manner designed to minimize impacts on neighboring residents and environment.</li> <li>(e) Ensure that workers' PPE complies with international good practice (always hardhats, as needed masks and safety glasses, harnesses and safety boots)</li> <li>(f) Appropriately signpost construction site to inform workers on key rules and regulations.</li> </ul>
<b>A.</b> General Rehabilitation and /or Construction Activities	Air Quality	<ul style="list-style-type: none"> <li>(a) Use debris-chutes during interior demolition above the first floor</li> <li>(b) Keep demolition debris in controlled area and sprayed with water mist to reduce debris dust</li> <li>(c) Suppress dust during pneumatic drilling/wall destruction by ongoing water spraying and/or installing dust screen enclosures at site</li> <li>(d) Keep the surrounding environment (sidewalks, roads) free of debris to minimize dust</li> <li>(e) Disallow open burning of construction / waste material at the site</li> <li>(f) Disallow excessive idling of construction vehicles at sites</li> </ul>
	Noise	<ul style="list-style-type: none"> <li>(a) Limit construction noise to daytime unless extreme urgency. Notify local communities on the works schedule if it deviates from standard working hours</li> <li>(b) Ensure that during operation, engine covers of generators, air compressors and other powered mechanical equipment are closed, and equipment placed as far away from residential areas as possible</li> </ul>
	Water Quality	<ul style="list-style-type: none"> <li>(a) Establish appropriate erosion and sediment control measures such as e.g. hay bales and / or silt fences to prevent sediment from moving off site and causing excessive turbidity in nearby streams and rivers.</li> </ul>
	Waste management	<ul style="list-style-type: none"> <li>(a) Identify waste collection and disposal pathways for all major waste types expected from demolition and construction activities</li> <li>(b) Separate mineral construction and demolition wastes from general refuse, organic, I12Quid and chemical wastes by on-site sorting and stored in appropriate containers.</li> <li>(c) Collect construction waste and dispose properly to the designated locations</li> <li>(d) Whenever feasible, reuse and recycle appropriate and viable materials (except asbestos)</li> </ul>
<b>B.</b> Individual wastewater treatment system	Water Quality	<ul style="list-style-type: none"> <li>(a) Ensure that the approach of handling sanitary wastes and wastewater and the design of the treatment system is approved by relevant authorities</li> <li>(b) Ensure that before discharging into receiving waters, effluents from individual wastewater systems are treated in order to meet the minimal quality criteria set out by national guidelines on effluent quality and wastewater treatment</li> <li>(c) Undertake monitoring of newly established wastewater treatment systems and report to Employer on the monitoring outcome</li> </ul>

		(d) Wash construction vehicles and machinery only in designated areas where runoff will not pollute natural surface water bodies.
<b>C. Historic building(s)</b>	Cultural Heritage	(a) If the building is a designated historic structure, very close to such a structure, or located in a designated historic district, do not commence works without receiving a notice that the design is agreed with the Ministry of Culture and Monument Protection, and all construction activities are planned and carried out in line with local and national legislation. (b) Acquaint personnel with the procedures for handling chance finds. Take all physical activity on hold if a change find is suspected or reported by staff and immediately notify Employer in writing. Do not resume work until formal notice from the Employer.
<b>D. Acquisition of land</b>	Land Acquisition Plan/Framework	(a) If expropriation of land was not expected but is required, or if loss of access to income of legal or illegal users of land was not expected but may occur, immediately consult the World Bank's Task Team Leader (b) Make sure not to enter a subproject site and not to start any physical activity in it prior to receiving formal notice on the completion of resettlement and full delivery of compensation to the affected people
<b>E. Toxic Materials</b>	Asbestos management	(a) If asbestos is located on the subproject site, mark it clearly as hazardous material (b) When possible, appropriately contain and seal asbestos to minimize exposure (c) Treat asbestos prior to removal (if removal is necessary) with a wetting agent to minimize asbestos dust (d) Handle and disposed asbestos using skilled & experienced professionals (e) If asbestos material is being stored temporarily, securely enclosed it inside closed containments and mark appropriately. Take security measures against unauthorized removal from the site (f) Do not reuse the removed asbestos
	Toxic / hazardous waste management	(a) Temporarily store all hazardous or toxic substances on site in safe containers labeled with details of composition, properties and handling information (b) Place containers of hazardous substances in leak-proof containers to prevent spillage and leaching (c) Transport waste to official landfills and dispose excess excavated material at sites agreed with the local authorities. (d) No not use paints with toxic ingredients or solvents, or lead-based paints
<b>F. Traffic and Pedestrian Safety</b>	Direct or indirect hazards to public traffic and pedestrians by construction activities	(a) Signpost, place warning signs, arrange barriers and traffic diversions so that the work site is clearly visible, and the public is warned of all potential hazards (b) Establish traffic management system and conduct staff training, especially for site access and near-site heavy traffic. Provide safe passages and crossings for pedestrians where construction traffic interferes. (c) Adjust working hours to local traffic patterns, e.g. avoid major transport activities during rush hours or times of livestock movement (d) Actively manage traffic if required for safe and convenient passage for the public. (e) Ensure safe and continuous access to office facilities, shops and residences during renovation activities, if the buildings stay open for the public.
<b>G. Social Risk Management</b>	Public relationship management	(a) Ensure that all arrangements related to continuation of school and learning process have been made (e.g., temporary accommodation for students, transport, etc.) (b) Assign local liaison person within Contractor's team to be in charge of communication with and receiving requests/ complaints from local population

		<ul style="list-style-type: none"> <li>(c) Consult local communities to identify and proactively manage potential conflicts between an external workforce and local people</li> <li>(d) Raise local community awareness about sexually transmitted disease risks associated with the presence of an external workforce and include local communities in awareness activities.</li> <li>(e) Inform the population about construction and work schedules, interruption of services, traffic detour routes and provisional bus routes, blasting and demolition, as appropriate.</li> <li>(f) Limit construction activities at night. When necessary ensure that night work is carefully scheduled, and the community is properly informed, so they can take necessary measures.</li> <li>(g) At least five days in advance of any service interruption (including water, electricity, telephone, bus routes), advice community through postings at the work site, at bus stops, and in affected homes/businesses.</li> <li>(h) Address concerns raised through Grievance Redress Mechanism established by the Employer within the designated timeline within the scope of Contractor's liability</li> <li>(i) To the extent possible, work camps should not be located in close proximity to local communities</li> <li>(i) Siting and operation of worker camps should be undertaken in consultation with neighboring communities</li> </ul>
	Labor management	<ul style="list-style-type: none"> <li>(a) Recruit unskilled or semi-skilled workers from local communities to the extent possible. Where and when feasible, worker skills training, should be provided to enhance participation of local people.</li> <li>(b) Provide adequate lavatory facilities (toilets and washing areas) in the work site with adequate supplies of hot and cold running water, soap, and hand drying devices. A temporary septic tank system should be established for any residential labor camp and without causing pollution of nearby watercourses</li> <li>(c) Raise awareness of workers on overall relationship management with local population, establish the code of conduct in line with international practice and strictly enforce them, including the dismissal of workers and financial penalties of adequate scale</li> </ul>

**PART D: MONITORING PLAN**

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<b>Activity</b>	<b>What</b> (Is the parameter to be monitored?)	<b>Where</b> (Is the parameter to be monitored?)	<b>How</b> (Is the parameter to be monitored?)	<b>When</b> (Define the frequency / or continuous?)	<b>Why</b> (Is the parameter being monitored?)	<b>Who</b> (Is responsible for monitoring?)
<b>CONSTRUCTION PHASE</b>						
1.						
2.						
...						
n.						
<b>OPERATION PHASE</b>						
1.						
2.						
...						
n.						

**Attachment II**  
**Monthly Field Environmental Monitoring Checklist**

Site location					
Name of contractor					
Name of supervisor					
Date of site visit					
Status of civil works					
Documents and activities to be examined	Status				Comments
	Yes	Partially	No	N/A	
Contractor holds license for extraction of natural resources					
Contractor holds agreement for final disposal of waste					
Contractor holds agreement with service provider for removal of household waste from site					
Work site is fenced and warning signs installed					
Works do not impede pedestrian access and motor traffic, or temporary alternative access is provided					
Working hours are observed					
Construction machinery and equipment is in standard technical condition (no excessive exhaust and noise, no leakage of fuels and lubricants)					

Construction materials and waste are transported under the covered hood					
Construction site is watered in case of excessively dusty works					
Contractor's camp or work base is fenced; sites for temporary storage of waste and for vehicle/equipment servicing are designated					
Contractor's camp is supplied with water and sanitation is provided					
Contractor's camp or work base is equipped with first medical aid and fire fighting kits					
Workers wear uniforms and protective gear adequate for technological processes (gloves, helmets, respirators, eye-glasses, etc.)					
Servicing and fuelling of vehicles and machinery is undertaken on an impermeable surface in a confined space which can contain operational and emergency spills					
Vehicles and machinery are washed away from natural water bodies in the way preventing direct discharge of runoff into the water bodies					
Construction waste is being disposed exclusively in the designated locations					
Extraction of natural construction material takes place strictly under conditions specified in the license					

Excess material and topsoil generated from soil excavation are stored separately and used for backfilling / site reinstatement as required					
Works taken on hold if chance find encountered and communication made to the State agencies responsible for cultural heritage preservation					
Upon completion of physical activity on site, the site and contractor's camp/base cleared of any remaining left-over from works and harmonized with surrounding landscape					



## Attachment III Minutes of Public Consultation Meeting

### MINUTES OF MEETING

**ZOOM DISCUSSION, DECEMBER 15, 2020**

### **ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK AND RESETTLEMENT POLICY FRAMEWORK PROPOSED TRADE PROMOTION AND QUALITY INFRASTRUCTURE PROJECT**

#### **Introduction**

- ✓ Public consultation on the Resettlement Policy Framework (RPF), Environmental, and Social Management Framework (ESMF) for the Trade Promotion Quality Infrastructure (TPQI) project was held on December 15 in Zoom platform.
- ✓ ESMF and RPF have been sent to the project stakeholders and beneficiaries by email with request to provide their comments and suggestions. About 15 people from state authorities, governmental institutions and private sector partners have received the Documents

from: <info@tpqi.am>

aneta.babayan@gov.am"		<aneta.babayan@gov.am>,"
"vsimonyan@mineconomy.am"		<vsimonyan@mineconomy.am>,"
"Zhanna R. Zakaryan"	Zakaryan"	<zhzakaryan@mineconomy.am>,"
"viktor.poghosyan@hti.am"		<viktor.poghosyan@hti.am>,"
"anahit.khachaturyan@hti.am"		<anahit.khachaturyan@hti.am>,"
"sargis.hovhannisyanyan@isc.am"		<sargis.hovhannisyanyan@isc.am>,"
"david.papazian@anif.am"		<david.papazian@anif.am>,"
"gohar.simonyan@anif.am"		<gohar.simonyan@anif.am>,"
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Bagrat Yengibaryan		<b.yengibaryan@anif.am>,"
Marina Minasyan		<marina.minasyan@anif.am>,"
Albert Babayan		<a.babayan@metrology.am>,"
"gmartoyan88@gmail.com"		<gmartoyan88@gmail.com>,"
"aobosyan@armnab.am"		<aobosyan@armnab.am>,"
"nabgaryan@armnab.am" nabgaryan@armnab.am		<nabgaryan@armnab.am>,"
"g.khachatryan@tpqi.am"		<g.khachatryan@tpqi.am>,"

- ✓ ESMF and RPF have been posted in TPQI project official FB page under the following links:

Link to: [ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK](#) (English version)

Link to: [ENVIRONMENTAL AND SOCIAL MANAGEMENT FRAMEWORK](#) (Armenia version)

Link to: [RESETTLEMENT POLICY FRAMEWORK](#) (English version)

Link to: [RESETTLEMENT POLICY FRAMEWORK](#) (Armenian version)

- ✓ Public event has been created on TPQI project official FB on December 2, under the following link:  
Link to [Facebook event](#)

**Date of event:** December 15, 2020

**Time:** 11:00 am - 12:30 am

## AGENDA

1. Presentation and discussion of the ESMF and RPF prepared by TPQI project PMU  
Speaker – Alisa Savadyan  
TPQI project E&S specialist

2. Discussion of the TPQI project environmental, social aspects within the different Component,
3. Question & Answers

This meeting was organized on the Zoom platform taking into account COVID-19 situation. Overall, 12 participants from different institutions; beneficiaries of the project participated in the online meeting according to the online registration. **List of participants is attached in Annex 1. Photos are attached in Annex 2.**

Project E&S specialist Alisa Savadyan briefly presented the meeting goals and requirements of the WB in organization and conduction of public consultations during development of ESMF and RPF documents.

Alisa Savadyan mentioned that the objective of public disclosure of the document is to promote public awareness on the ESMF and RPF drafted for TPQI, as well as receiving opinions and suggestions of the public.

Structures of the documents as well as environmental and social risks anticipated under the TPQI Project Component and subcomponents were presented to the participants. All details related to envisaged activities have been discussed with participants, particularly:

1. Innovation matching grants scheme has been discussed with the EIF representatives including preliminary assessment and monitoring of the grants.

**The following question was raised by Marinia Minasyan, representative of EIF: How C Project monitoring will be implemented and which information on grant application procedure will be provided during projects implementation stage?**

**Answer:** TPQI E&S specialist provided more details on IMG application process, E&S risk assessment via small questionnaire and one more time explained all procedures of grant applicants E&S screening and categorization, also reporting and after 6 month reassessment of applicant E&S conditions via checklist.

2. Economic development grant component was also discussed in detail. TPQI E&S specialist provided information about categorization of the project according to WB requirements, preparation of the screening report and all requirements of the WB and RA legislation. Advisor of the Deputy Prime Minister Mr. Aneta Babayan mentioned that EDG selection results will be approved by the Steering Committee till the end of the year and after that categorization will be done and screening report will be developed. Details on development of ESMPs have also been discussed and ISC - EDG manager Sargis Hovhannisyanyan expressed his readiness to support the process of ESMP development.
3. In addition, the participants discussed the Engineering City Construction subcomponent. Particularly the participants focused on the design implementation process, which assumes obtaining of different permits and consents by design company. According to RA legislation ESIA process is required for construction works with area more than 1500 m<sup>2</sup>, which is also stated in the ESMF document.

**The following question was raised by Aneta Babaya, advisor of the Deputy Prime Minister: If the process**

**of ESIA is delayed, how they can manage this issue and support the TPQI project?**

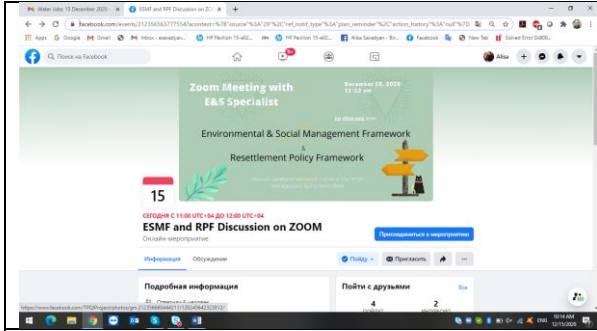
**Answer:** TPQI E&S specialist clarified that expertize conclusion is a mandatory document, and it is also verified by the WB. In case of delays TPQI project will expect the support of RA Government to facilitate the bureaucracy procedures.

4. The next section of the discussion included renovation works of NBSM. Under this Component the participants were briefed about anticipated resettlement issues in general and were presented to the participants and discussed.
5. Deputy Minister of HTI raised questions regarding legal Chapter of the ESMF and indicated need for some corrections in the Chapter. It was agreed that written comments will be send in short notice and respective changes will be done in the documents. Some comments on behalf of the RA MoE were also provided by email (related to Armenia terminology and editing of some responsibilities of implementing partners, particularly NBSM). RA MHIT provide his justifications related to the legal parts of the document (changes in provided legal acts). All editing and comments will be incorporated in the document.
6. GRM and nomination of the Focal points under GRM were also discussed as a WB requirement. One more time it was mentioned that all grievances have to be registered and information has to be provided to the TPQI project.
7. Eduard Mkrtchayn, COO of Armenian National Interests Fund, said that he is also ready for cooperation related to E&S aspect and will provide his readiness for support.
8. The TPQI project team provided his approbation for participation and productive discussion. E&S specialist mentioned that all E&S documents will be disclosed on TPQI project FB page as well as on the web pages of the Project partner organizations and relevant governmental entities.

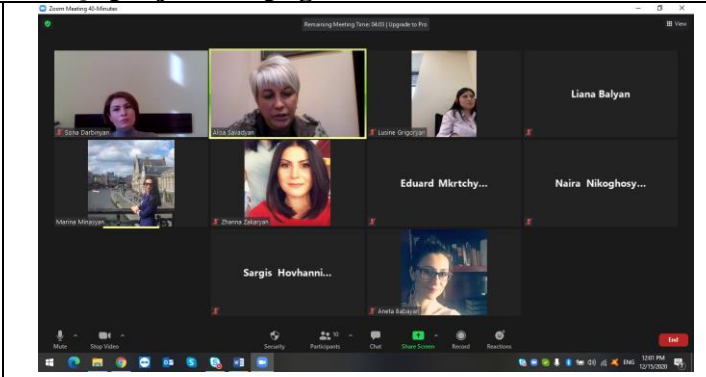
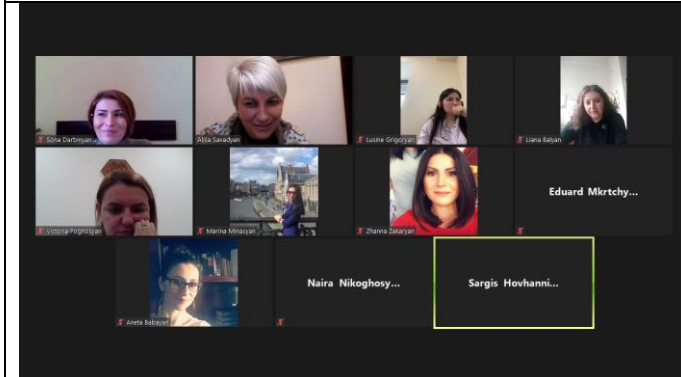
## Annex 1. List of Participants

#	Name Surname	Agency	Position
1.	Aneta Babayan	RA Government	Adviser to Deputy Prime Minister/ TPQI project GRM focal point
2.	Viktoria Poghosyan	RA Mo High Tech Industry	Deputy Minister
3.	Zhanna Zaqaryan	RA MoEconomy, Department of Quality Infrastructure Development	Head of Department / GRM focal point
4.	Lusine Grigoryan	RA MoEconomy, Department of Quality Infrastructure Development	TPQI project GRM focal point
5.	Eduard Mkrtychyan	Armenian National Interests Fund	COO
6.	Sargis Hovhannisyan	Investment Support Center	Grand manager of EMG/ TPQI project GRM focal point
7.	Gevorg Martoyan	NBSM	Quality manager / TPQI project GRM focal point
8.	Marina Minasyan	EIF	Project manager/ TPQI project GRM focal point
9.	Hasmik Nikoghosyan	EIF	Lawyer
10	Alisa Savadyan	TPQI	E&S specialist
11	Lianna Balyan	TPQI	M&E specialist
12	Sona Darbinyan	TPQI	Project Assistant

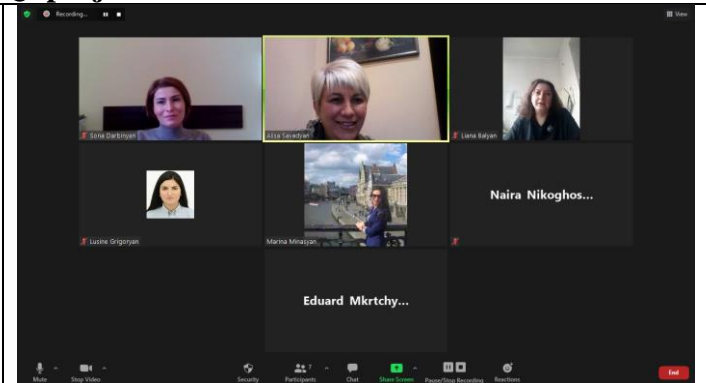
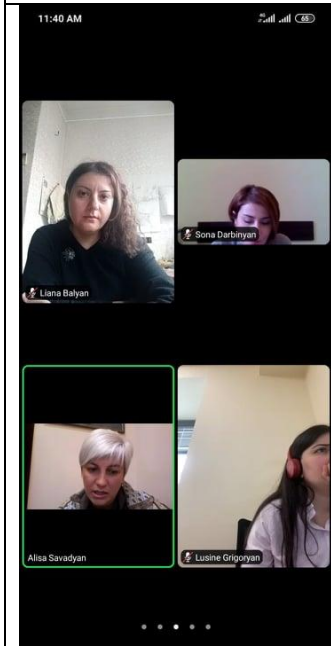
## Annex 2. Photos



**Event announcement on TPQI project FB page**



**Discussion with the TPQI project beneficiaries**



**Discussion with the TPQI project beneficiaries**