

Environmental Monitoring Report

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Armenia: Yerevan Urban Development Investment Project

Prepared by the Yerevan Project Implementation Unit, Yerevan Municipality for the Republic of Armenia and the Asian Development Bank (ADB).

CURRENCY EQUIVALENTS

(as of 5 February 2025)

Currency Unit	–	dram (AMD)		
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\$1.00	=	AMD396.58	or	€0.9594
€1.00	=	AMD413.36	or	\$1.0423

ABBREVIATIONS

ADB	–	Asian Development Bank
AH	–	affected households
AP	–	affected persons
CAP	–	corrective action plan
DESC	–	detailed engineering and construction supervision consultant
EA	–	executing agency
IA	–	implementing agency
EMA	–	external monitoring agency
LAR	–	land acquisition and resettlement
LARF	–	land acquisition and resettlement framework
MoE	–	Ministry of Environment
MFF	–	Multi-tranche financing facility
PIU	–	project implementation unit
PMIC	–	project management and institutional strengthening consultant
PPTA	–	project preparatory technical assistance
RS	–	resettlement specialist
SUDIP	–	Sustainable Urban Development Investment Project
YUDIP	–	Yerevan Urban Development Investment Project
YM	–	Yerevan Municipality
REA	–	rapid environmental assessment checklist
GRM	–	grievance redress mechanism
EMP	–	environmental management plan
SPS	–	safeguard policy statement
CMS	–	consultant management system
PAM	–	project administration manual
EIA	–	environmental Impact Assessment
IEE	–	initial environmental examination

NOTE

In this report, "\$" refers to United States dollars.

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1. INTRODUCTION

1.1. Preamble

1. This semi-annual environmental monitoring report covers the period of July-December 2024. The report is prepared by the PIU environmental specialist Kristine Sahakyan for YUDIP project, which aims to support Yerevan in improving the urban environment, enhancing the road network, and promoting climate-resilient infrastructure.

1.2. Headline Information

2. The Government of Armenia has received a loan from the Asian Development Bank (ADB) to finance the Yerevan Urban Development Investment Project with a total loan amount of €60.09 million (\$65.17 million equivalent) from ADB's ordinary capital resources on 3 November 2023.
3. This project derives from a request from Yerevan Municipality (YM) to ADB to enhance the economy, livability, and inclusiveness of Yerevan, the capital city of Armenia, through improved:
 - **Output 1:** urban environment, sustainable urban mobility and services, connectivity improved, an economy led by investments and job creation strengthened, and private sector participation in urban areas enhanced; and
 - **Output 2:** strengthened institutional capacity for green and inclusive urban mobility and resilience to climate change improved. (output 2).
4. Output 1 is financed by the loan, while Output 2 is financed by a technical assistance (TA) grant¹.
5. The project will invest in the Isakov-Arshakunyats 1.8-km road connecting the districts of Kentron, Malatia-Sebastia, and Shengavit and providing a logical continuation of the existing Monte Melkonyan Road.
6. Traffic in these districts is currently channeled through three bridges across the Hrazdan River. The proposed project's fourth river crossing will alleviate traffic congestion and resulting emissions in the area.
7. The river crossing and road capacity will be increased by one-third and travel distances will be reduced by more than 3 km.
8. Yerevan Urban Development Investment Project will be aligned with the following impacts:
 - I. improved urban environment and services in Yerevan, enhanced road network, a stronger economy led by investments, and job creation in cities, as envisaged in the Programme of the Government of the Republic of Armenia (2021-2026);
 - II. Strengthen institutional capacity for green, inclusive, and resilient urban development;

¹ ADB. [Armenia: Preparing Yerevan Urban Development Investment Project – II](#).

III. Improved resilience to climate change, in line with national commitments to the Paris Agreement.

9. The anticipated development results include all of the above combined with better health for residents.
10. The project outcome is urban mobility, urban governance, and design enhanced. The project will benefit Yerevan's estimated population of 1.5 million.
11. The project will have the following outcome: sustainability, inclusiveness, and livability of Yerevan enhanced.
12. Outputs include: (i) sustainable and inclusive urban mobility and services improved; and (ii) institutional capacity for green and inclusive urban mobility strengthened.

2. PROJECT DESCRIPTION AND ACTIVITIES

2.1. Project Background

13. The Urban Development Investment Program (UDIP) Two Road Links Of The Yerevan Western Ring Road CS/01 (Loan No.2752-ARM) Isakov-Arshakunyats road link is funded by the Asian Development Bank's (ADB) Multitranches Financing Facility (MFF). A matter of policy of the Bank requires that all projects supported and funded by the ADB must comply with the requirements of the Safeguard Policy Statement (SPS, 2009). The Isakov-Arshakunyats Road Link project is likely to have potential environmental risks and impacts, so the environmental safeguards are triggered.
14. Environmental safeguards are triggered through the screening of the project and determination of the Project Category. The screening of the Isakov-Arshakunyats Road link has been implemented accordance with the ADB safeguards policy to ensure the environmental soundness and sustainability of the proposed project and to support the integration of environmental considerations into the project decision-making process. This enabled categorization of the project under the ADB safeguards policy and under the national regulatory requirements.
15. A screening and categorization has been undertaken by the detailed engineering and construction supervision consultant (DESC) on behalf of PIU to determine the project environment category. The Isakov - Arshakunyats Road Link has been screened to determine its environment category based on the ADB classification system. The Project is scrutinized as to its type, location, scale, and sensitivity and the magnitude of its potential environmental impacts.
16. An ADB's Rapid Environmental Assessment Checklist (REA) was completed by the DESC consultants. The screening resulted in a conclusion that the proposed project will not likely have significant adverse environmental impacts that are irreversible, unmanageable, or unprecedented. Its potential adverse environmental impacts are site-specific, few if any of them are irreversible, and in most cases mitigation measures can be readily designed. These impacts may not affect an area larger than the sites or facilities subject to physical works.
17. Based on the REA Checklist, construction of Isakov - Arshakunyats road link was classified as a Category "B" according to ADB SPS (2009) and an Initial Environmental Examination (IEE) was developed.
18. An Initial Environmental Examination (IEE) was undertaken in accordance with the ADB's Safeguard Policy Statement (2009), Environmental Assessment Guidelines (2003) and the Environmental Assessment and Review Framework (EARF) agreed between the Government of Armenia and ADB.
19. The central objective of the environmental and social screening was to ensure that environmental and social considerations are incorporated into the project design from an early phase with the overall aim of demonstrating the sustainability of a proposed project. The entity responsible for the implementation of the Project (the Implementing Agency) - is the Municipality of Yerevan who is acting through his Project Implementation Unit (YM PIU).

20. A positive EIA conclusion for Isakov-Arshakunyats road link construction works was obtained from the MoE on 11.05.2023, which was presented in the SUDIP semi-annual report for period of January-June 2023, as well as in the YUDIP previous semi-annual report for the period of January-June, 2024.
21. The positive conclusion of the state complex expertise of the construction of the Isakov-Arshakunyats road link construction works was obtained from the RA Urban Development Committee on 13.06.2024, which was presented in the YUDIP previous semi-annual report for the period of January-June, 2024.

2.2. Project Contracts and Management

22. The loan and project agreements were signed on 27 November 2023. The loan became effective on 22 May 2024. The total project cost is estimated at \$85.67 million including the government's counterpart fund.
23. The Ministry of Territorial Administration and Infrastructure (MTAI) is the project's executing agency and Yerevan Municipality is the implementing agency, through a dedicated project implementation unit (Yerevan Urban Development PIU). The loan closing date is 31 March 2028. Details of the financing plan and cost estimates are included in the project administration manual (PAM).
24. The major tasks of the PIU Environmental specialist (ES) are to carry out the overall environmental management ensuring full compliance of the Project implementation with Armenian legislation and ADB SPS (2009). The ES serves as a liaison between the safeguard team of Contractor Company, YM, the executing agency, the Ministry of Environment of the RA and the Ministry of Education, Science, Culture and Sport of the RA, project affected people, ADB and develops and maintains direct relationships with government authorities, etc.
25. PIU ES Kristine Sahakyan manages all activities related to the environmental issues and PIU land acquisition and resettlement specialist Sirak Gyulbudaghyan manages all resettlement and social aspect issues.
26. ADB carry out periodic Project reviews, inspections of the Project throughout the Project cycle in conformity with the principles and requirements embodied in the SPS 2009. ADB will assist the YM PIU in managing the environmental impacts and risks, thus contributing to the promotion of the long-term sustainability of investments.
27. The construction supervision service was advertised in the Consulting Services Recruitment Notice on the ADB CMS on June 12, 2024, with a deadline of July 11, 2024.
28. The Evaluation Committee (EC), established by Mayor Decree No. 3109-A dated August 15, 2024, convened to evaluate the Expression of Interests (EOIs) submitted for the project. A total of 26 EOIs were received. The shortlisting process is currently underway and 6 companies have been shortlisted. The EC meeting minutes and the Request for proposal (RFP) have been sent to ADB for no objection on 16 Decemeber, 2024.

29. The advertisement for Construction of Isakov-Arshakunyats Road Link (YUDIP-CW-01) was published in ADB web site (<https://www.adb.org/sites/default/files/tenders/54172arm-yudip-cw01-afb.pdf>), as well as in the YM official webpage (<https://www.yerevan.am/uploads/media/default/0002/45/c21279ad60786f24f9c4036f137ddb320e5cf29b.pdf>) on 25 December 2024.
30. The bidding documents for the "Construction of Isakov - Arshakunyats Road link" includes relevant requirements regarding environmental and social safeguards.

2.3. Project Activities during Current Reporting Period

31. No further activities during this reporting period, because all necessary actions have been done for design stage, as well as the relevant conclusions have already been received.
32. No construction works started for Isakov-Arshakunyats road link construction project.

2.4. Description of Any Changes to Project Design

33. No construction works started for Isakov-Arshakunyats road link construction project.

2.5. Description of Any Changes to Agreed Construction methods

34. No construction works started for Isakov-Arshakunyats road link construction project.

3. ENVIRONMENTAL SAFEGUARD ACTIVITIES

35. Environmental safeguards are triggered through the screening of the Isakov-Arshakunyats road link project and determination of the Project Category. The project has been screened to determine its environmental category based on the ADB classification system. Screening and categorization has been undertaken by the DESC consultants on behalf of YM PIU. The Project was scrutinized as to its type, location, scale, and sensitivity and the magnitude of its potential environmental impacts.
36. Construction of Isakov - Arshakunyats road link project was classified as a Category "B" according to ADB SPS (2009) and an Initial Environmental Examination (IEE) was developed.
37. The assessment of the environmental and social impacts for Isakov-Arshakunyats road link was performed in framework of SUDIP project. The Initial Environmental Examination (IEE) report was prepared in full compliance with ADB Safeguard Policy Statement (SPS, 2009) and in accordance with the Armenian legislative framework, particularly with the RA Law on Environmental Impact Assessment and Examination (2014).
38. No further environmental activities during this reporting period, because all necessary actions have been done, as well as the relevant EIA conclusions have already been received.
39. In the second half of 2024 PIU has not received any complaints from the residents.
40. More information on the Grievance Redress Mechanism is provided in Chapter 5 of this report.

3.1. General Description of Environmental Safeguard Activities

41. Initial Environmental Evaluation for Isakov-Arshakunyats road link construction project was finalized with incorporated all comments and suggestion raised during the Public Consultations and by ADB, PIU and approved by ADB on 30.11.2023 in framwfork of SUDIP project.
42. IEE includes the results of baseline monitoring surveys regarding on air quality, water quality, noise & vibration, as well as Flora and Fauna, archaeological investigations.
43. A positive EIA conclusion for Isakov-Arshakunyats road link construction works was obtained from the MoE on 11.05.2023, which was presented in the YUDIP previous semi-annual report for period of January-June 2024.
44. During this reporting period a positive conclusion of State Complex expertise for Isakov-Arshakunyats road link construction was obtained from the RA Urban Development Comitte on 13.06.2024, which is presented in the YUDIP previous semi-annual report for period of January-June 2024.
45. No further activites during this perorting period, because all necessary conclusions have already been obtained.

46. Contractor will be responsible for the environmental safeguard's compliance to ADB SPS and Armenian legislation for all construction period, as well as the DPL period, during which Contractor will implement defect correcting works.
47. The final IEE with EMP for Isakov-Arshakunyats road link construction works was disclosed on the ADB website (<https://www.adb.org/projects/documents/arm-54172-002-iee-0>) and was incorporated in the bidding documents and relevant requirements in future project-specific documents.
48. No construction activities started yet for Isakov-Arshakunyats road link.

3.2. Site Audits

49. An Asian Development Bank (ADB) loan inception mission visited Armenia from 15 to 19 July 2024. The main objectives of the Mission are to discuss the project implementation plans, review and update the project administration manual (PAM), discuss and agree on contract awards and disbursement schedule, and review the safeguards arrangements.
50. Considering the potential additional environmental impacts related to the renovation of Komitas Park, the mission discussed and agreed that the EIA and Environmental Management Plan (EMP) will either be updated, or separate documents will be prepared in this regard.

3.3. Issues Tracking (Based on Non-Conformance Notices)

51. During the reporting period non-compliance notice was not issued. No construction activities started yet for Isakov-Arshakunyats road link.

3.4. Trends

52. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

3.5. Unanticipated Environmental Impacts or Risks

53. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4. RESULTS OF ENVIRONMENTAL MONITORING

54. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link. It should be noted, that Contractor shall accept the results of the environmental baseline investigations provided in IEE and will perform a baseline data collection for Air Quality, Water Quality, Noise & Vibration 21 days prior to the commencement date of construction works and shall implement regular measurements the same parameters during the construction period and during the DLP.

4.1. Overview of Monitoring Conducted during Current Period

55. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.2. Trends

56. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.3. Summary of Monitoring Outcomes

57. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.4. Material Resources Utilization

58. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.4.1. Current Period

59. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.4.2. Cumulative Resource Utilization

60. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.5. Waste Management

61. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.5.1. Current Period

62. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.5.2. Cumulative Waste Generation

63. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.6. Health and Safety

64. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

4.6.1. Worker Safety and Health

65. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

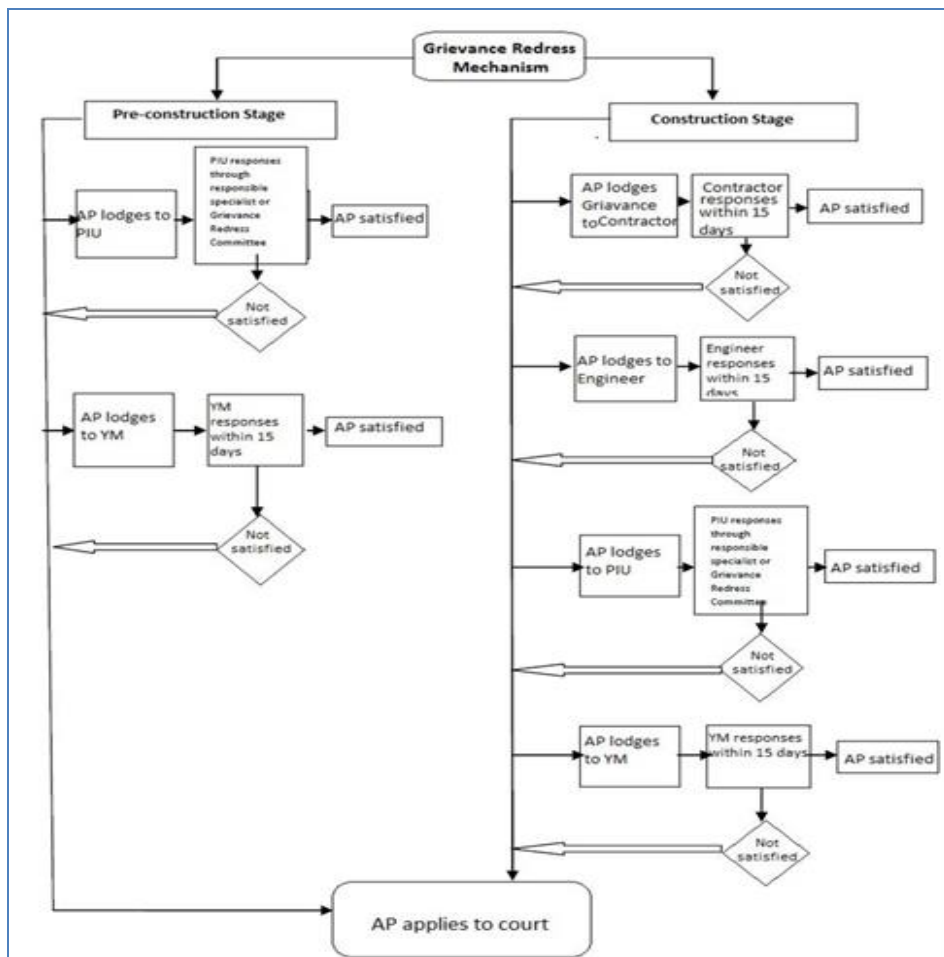
4.7. Training

66. Non applicable. No construction activities started yet.

5. GRIEVANCE REDRESS MECHANISM AND PUBLIC CONSULTATION

67. Grievance Redress Mechanizm is a part of IEE and was developed by Design Company - EGIS.
68. Several parties are involved in grievance redress mechanism: (i) PIU and (ii) YM. To make the process accessible to APs, the GRM was presented during public consultations and was disseminated through the PIU field office.
69. The GRM process involves two main steps (Figure 1), whereby the APs firstly have to lodge their complaints to the PIU. Within a period of maximum 30 days the PIU staff must formally inform the APs of the results. If the APs are still not satisfied with the outcome, they can officially lodge their complaint with the Yerevan municipality authorities. The AP must lodge the complaint within one month after receiving response from the PIU. At this higher level the investigation and negotiation process with the APs and related stakeholders must be completed within a period of 15 days. As a final resort, but at any step of the mechanism, the APs are free to lodge their complaint with the Courts if their grievances have still not been resolved. The Grievance Resolution Process Scheme presented in the Figure 1.
70. Regardless of the set grievance mechanism and procedures, the APs have the right to submit their cases to the court of law at any point in time during the grievance process.
71. In the second half of 2024 PIU has not received any complaints.

Figure 1: Grievance Resolution Process Scheme



6. FUNCTIONING OF THE SEMP

72. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

6.1. SEMP Review

73. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

7. GOOD PRACTICE AND OPPORTUNITY FOR IMPROVEMENT

7.1. Good Practice

74. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

7.2. Opportunities for Improvement

75. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.

8. SUMMARY AND RECOMMENDATIONS

8.1. Summary

76. The assessment of the environmental and social impacts for Isakov-Arshakunyats road link was performed in framework of SUDIP project. EIA according to the local/RA requirement have been developed for Isakov-Arshakunyats road link construction project.
77. Construction of Isakov - Arshakunyats road link project was classified as a Category “B” according to ADB SPS (2009) and an Initial Environmental Examination (IEE) was developed. IEE report was prepared in full compliance with ADB Safeguard Policy Statement (SPS, 2009) and in accordance with the Armenian legislative framework, particularly with the RA Law on Environmental Impact Assessment and Examination (2014). IEE includes the results of baseline monitoring surveys regarding on air quality, water quality, noise & vibration, as well as Flora and Fauna, archaeological investigations.
78. No public consultations in framework of the Isakov-Arshakunyats road link construction project was conducted during this reporting period, because there was no need for it considering that EIA positive conclusion was obtained from MoE on 11 May, 2023.
79. The Evaluation Committee (EC), established by Mayor Decree No. 3109-A dated August 15, 2024, convened to evaluate the Expression of Interests (EOIs) submitted for the project. A total of 26 EOIs were received. The shortlisting process is currently underway and 6 companies have been shortlisted. The EC meeting minutes and the Request for proposal (RFP) have been sent to ADB for no objection on 16 Decemeber, 2024.
80. The advertisement for Construction of Isakov-Arshakunyats Road Link (YUDIP-CW-01) was published in ADB web site (<https://www.adb.org/sites/default/files/tenders/54172arm-yudip-cw01-ifb.pdf>), as well as in the YM official webpage (<https://www.yerevan.am/uploads/media/default/0002/45/c21279ad60786f24f9c4036f137ddb320e5cf29b.pdf>) on 25 December 2024.
81. The final IEE with EMP for Isakov-Arshakunyats road link construction works was disclosed on the ADB website (<https://www.adb.org/projects/documents/arm-54172-002-iee-0>) and was incorporated in the bidding documents and relevant requirements in future project-specific documents.
82. It should be noted that, that Contractor shall accept the results of the environmental baseline investigations provided in IEE and will perform a baseline data collection for Air Quality, Water Quality, Noise & Vibration 21 days prior to the commencement date of construction works and shall implement regular measurements the same parameters during the construction period and during the DLP.
83. No construction works started for Isakov-Arshakunyats road link construction project, which will be implemented under Yerevan Urban Development Investment Program (YUDIP).
84. The YUDIP aims to support the Government of Armenia (the government) in improving urban environment, enhancing the road network, and promoting climate-resilient infrastructure.

85. Yerevan Municipality envisages construction of Isakov - Arshakunyats road link as a logical continuation of existing Isakov - Leningradyan road section of Yerevan and is considered to be a connecting link between the Isakov and Arshakunyats Avenues. Due to construction of the mentioned road link the traffic will be diverted from the city centre significantly reducing the trip time and traffic congestions.

8.2. Recommendations

86. Non applicable. No construction activities started yet for Isakov-Arshakunyats road link.