



Masrik-1 Utility Scale Solar Photovoltaic Power Project in Armenia

SOCIAL DUE DILIGENCE REPORT

<p><i>Submitted By,</i> Samer P. Khikyan, Director of Social Safeguards Resources and Energy Efficiency Resettlement Consultant</p>	
--	--

March, 2018

CONTENTS

1. INTRODUCTION	4
1.1. Project Background.....	4
1.2 Construction of Masrik-1 solar PV plant	5
1.3 Background on Voluntary Donation of Land by community	5
1.4 Objective and Scope of the Social Due Diligence Report.....	6
2. APPLIED METHODOLOGY AND IMPACT ASSESMENT APPROACHES	6
3. LEGAL FRAMEWORK: LAND DONATION PROCEDURES APPLIED UNDER THE PROJECT	7
4. SOCIO-ECONOMIC PROFILE OF METS MASRIK COMMUNITY	9
4.1 Sociodemographic picture and livelihood of Project location Marz (region)	9
4.2 Sociodemographic profile of Mets Masrik community.....	10
5. MARKET VALUE AND AGRICULTURAL ANALYSIS OF DONATED LAND PLOT.....	13
5.1 Cadastral details on Donated land for the PV Plant.....	14
5.2 Results of Market value analysis of donated land for the PV Plant	14
5.3 Results of Agricultural analysis of the land proposed for PV Plant	14
6. RESULTS OF SOCIAL IMPACT ASSESMENT SURVEY	16
6.1 Applied methodology	16
6.2 Results of social impact assessment survey	17
7. PUBLIC CONSULTATION, PARTICIPATION AND GRM DISCLOSURE.....	21
8. CONCLUSIONS	24
ANNEX 1. REFERENCE FROM THE METS MASRIK COMMUNITY ON SOCIO-DEMOGRAPHIC DATA ...	28
ANNEX 2. CADASTER DOCUMENTS ON DONATED LAND.....	28
ANNEX 3. CONCLUSION BY QUALIFIED VALUATOR.....	28
ANNEX 4. CONCLUSION BY AGRONOMIST	28
ANNEX 5. SURVEY TOOL FOR KII AND FG	28
ANNEX 6. SIGN-UP SHEETS OF FGS.....	28
ANNEX 7. PC ANNOUNCEMENT AND INFORMATION LEAFLET	28
ANNEX 8. MINUTES OF PUBLIC CONSULTATION	28
ANNEX 9. DRAFT GOA DECREE ON LAND DONATION (ARM).....	28
ANNEX 10. LAND DONATION AGREEMENT	28
ANNEX 11. LAND TRANSFER AGREEMENT.....	28
ANNEX 12. LEGAL FRAMEWORK ON LAND ALIENATION, DONATION AND POSSESSION.....	28

ABBREVIATIONS

IBRD	International Bank for Reconstruction and Development
GoA	Government of Armenia
GRM	Grievance Redress Mechanism
kWh	kilowatt hour
kV	kilovolt
MW	megawatt
OTL	Overhead Transmission Line
PAP	Project Affected Person
PC	Public Consultation
HH	Households
PV	Photovoltaic
R2E2 Fund	Armenia Renewable Resources and Energy Efficiency Fund
RA	Republic of Armenia
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
ROW	Right of Way
SDDR	Social Due Diligence Report
SREP	Scaling-up Renewable Energy Program
SCF	Strategic Climate Fund
VLD	Voluntary Land Donation
WB	World Bank

1. INTRODUCTION

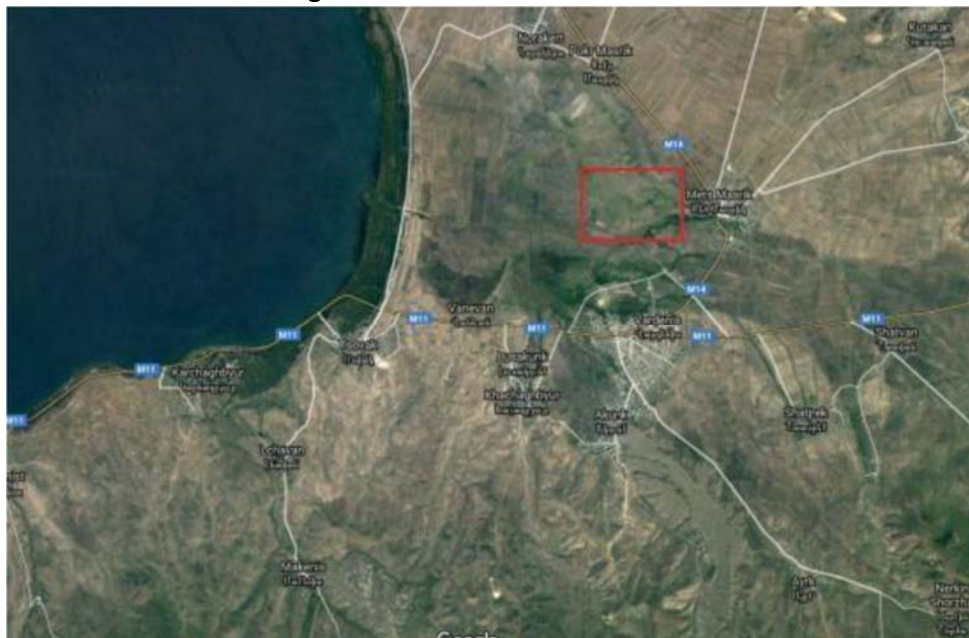
1.1. Project Background

The Government of Armenia has decided to prioritize solar power given the availability of good quality solar resources in the country and rapid decline of solar panel costs. The Government has requested support from the Scaling-up Renewable Energy Program (SREP) under the Strategic Climate Fund (SCF) to scale up solar and geothermal technologies with participation of the private sector. Under the SREP Investment Plan, the Government has identified utility-scale solar PV technology to be developed with SREP support.

The Republic of Armenia has received a Grant from the Climate Investment Fund's Scaling-up Renewable Energy Program in Low Income Countries (SREP) administered by the International Bank for Reconstruction and Development (IBRD) toward the cost of the Preparation of Utility Scale Solar Power Project, and intends to apply part of the proceeds for consulting services. The implementing agency of the Grant is Armenia Renewable Resources and Energy Efficiency Fund (R2E2 Fund) that is responsible inter alia for selection of consultants to assist in preparation of the Utility-Scale Solar Power Project.

It is possible to use a combination of IBRD and SREP resources to structure a guarantee operation to develop the Masrik-1 Utility-Scale Solar PV Project (the project). The project will support the construction of the Masrik-1 solar PV power plant with involvement of the private sector. The project is located in the Masrik valley in the Gegharkunik Marz (administrative unit) in north-eastern part of Armenia. The project is estimated to have an installed capacity range of 46 MW to 55 MW and projected average annual generation of 89 million kWh. The project will be connected to the distribution network through a 8 km 110kV OTL to be linked to the existing Kaputak and Akung distribution lines, which are owned by ENA. The Government intends to develop the project through private sector. R2E2 Fund has been preparing the project and is conducting the procurement of the IPP through an international competitive bidding process.

Figure 1: Location of Site



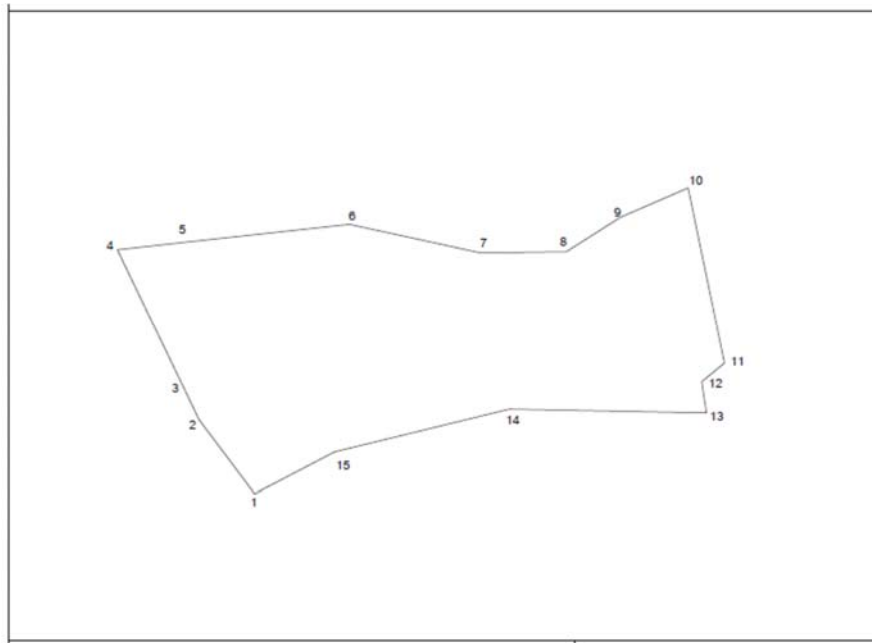
Source: Google Earth

1.2 Construction of Masrik-1 solar PV plant

Mets Masrik community (Gegarkunik marz) has been selected for the construction of Masrik-1 solar PV plant. The site for the power plant is located on community-owned lands, which are currently used for animal grazing. R2E2 Fund proposes to receive the 97.4 Ha of community land (henceforth referred to as Mets Masrik-1 Community Land) as a donation from the community and then further transfer the land to the winning bidder. The winning bidder will be required to transfer a local area development fee of 80 million AMD to the community after 20 days of issuance of letter of award. The site proposed for the project (of 97.4 Ha) is a part of a larger parcel of community land in Mets Masrik community. However, it has already been separated from the community land and the category will be changed in the state cadaster. R2E2 has also engaged a measurement expert who has installed boundary marks to demarcate the land at the site itself. A resettlement policy framework was prepared for the project on the feasibility stage in September 2016 which will be updated on the basis of this social due diligence results.

Private land acquisition may be required for the Right-of-Way (RoW) of the OTL, for the foundations of the transmission towers and for access roads to the solar power plant. Thus, there may be loss of crops. Since the final design of the OTL route the RPF to be developed by the selected IPP will include policies and procedures that govern the acquisition of private lands for the construction of the OTL, towers and if needed access roads. The selected IPP will develop the RAP upon the finalization of the OTL route in line with the RPF and provisions under OP 4.03 if needed. Thus, the Performance Standard (PS) No. 5 (Land Acquisition and Involuntary Resettlement) is triggered. The selected IPP developer will prepare the Resettlement Action Plan (RAP) in line with the RPF and provisions under the World Bank Performance Standards (OP/BP 4.03).

Figure 2: Proposed area of Masrik-1 PV plant



1.3 Background on Voluntary Donation of Land by community

During several discussions with the participation of R2E2 specialists, Mets Masrik community leader, head of community staff, as well as with members of community council, on the planned construction of PV plant, the community expressed willingness to donate the community-owned pasture land to

the R2E2 for the construction of proposed PV plant which will be documented through the community council decision and land donation agreement¹.

In the meantime, during the public consultation carried out in the frame of due diligence, community representatives have been informed that private land acquisition may be required in future for the Right-of-Way (RoW) of the OTL, for the foundations of the transmission towers and for access roads to the solar power plant causing land acquisition and resettlement issues. Hence, the community leaders have been informed that in this case the land acquisition and resettlement plan should be prepared and losses of PAPs/AHs will be subject for acquisition and compensation, including the user of affected community-owned land plots.

1.4 Objective and Scope of the Social Due Diligence Report

The main objective to conduct social safeguards due diligence is to understand and assess possible social impacts and propose impact mitigation measures for the proposed solar plant in Mets Masrik community due to donation of community owned pasture land for the PV plant construction. The due diligence has been conducted according to the World Bank Group’s social safeguard policies on involuntary resettlement (OP 4.03 and Performance Standard 5).

In the frame of social safeguards due diligence, based on the collected data the following analysis was carried out:

- Analysis and assessment of all project impacts (positive and negative)
 - Analysis of expected impacts on standard of living and socio-economic conditions, especially regarding individual and community incomes, livelihoods and employment
 - Expected severity of impacts on various groups
- Analysis of donated pasture land by determining yields and ability to support grazing animals and availability of alternative pasture lands
- Conclusions and suggestions on Mitigation measures and options to R2E2 to minimize and mitigate adverse impacts (e.g. ways to increase community pasture land)

2. APPLIED METHODOLOGY AND IMPACT ASSESMENT APPROACHES

In the frame of social safeguards due diligence the following analysis has been carried out:

- 1) Review and analysis of Project documents and related regulations (legal framework)
- 2) Desk analysis of cadastral information
- 3) Market value analysis of the land to be donated
- 4) Agricultural analysis of productivity of land proposed for power plant
- 5) Desk analysis of socio-economic profile of Mets Masrik community
- 6) Conducting of Public Consultation
- 7) Key informant interviews and focus group discussions with affected households and stakeholders
- 8)

¹ According to the RA legislation, the decision of community land donated shall be made by community council (for details see the section 3 on Legal framework).

In the frame of desk analysis, the cadastral map and data on the land proposed for the PV plant, and also the ownership documents has been studied with support of measurement specialist. Both formal and informal land ownership and land use pattern in project impact areas have been studied. Besides, the cadastral map of land plots located near/around to the donated land have been generally studied to assess the possible impacts due to available access roads to the plant and to identify any changes in land use pattern due to project interventions.

The detailed methodological approaches of implementation of above activities for the completion of each milestone are presented respectively in each section of this report.

3. LEGAL FRAMEWORK: LAND DONATION PROCEDURES APPLIED UNDER THE PROJECT

In the frame of due diligence, the following main regulatory documents have been studied by the Consultant to ensure that the provisions in project documents comply with the requirements of WB policy and national legislation:

- RA Land Code
- RA Civil Code
- World Bank Policies:

OP 4.03 - Performance Standards for Private Sector Activities, Performance Standard 5: Land Acquisition and Resettlement²

- The Government Decree approving the Project
- RPF approved within the project (to be updated);
- Government Decree on Land Donation
- Land donation agreement between the R2E2 and community
- Land Transfer Agreement between the R2E2 and Investor (developer)
- Bidding documents of Investor tendering
- Other related documents

The detailed description of main requirements and legal framework provisions for land alienation, donation and possession are presented in the Annex 12, while the summery analysis on legal compliance, challenges and risks of land donation procedures applied for the project are presented below.

Conditions of land donation procedures: The voluntary donation of land by beneficiary community for the project can be considered as acceptable, as the following conditions have been met by the land donation procedures, particularly:

- 1) Land Impact does not result in displacement of households or cause loss of household's incomes and livelihood;
- 2) Land to be donated is free from any dispute on ownership or any other encumbrances;
- 3) Consultations with the affected communities has been conducted in a free and transparent manner;
- 4) Proper documentation of consultation meetings, grievances and actions taken to address such grievances is maintained
- 5) Land transaction will be supported by transfer of title;

² http://siteresources.worldbank.org/OPSMANUAL/Resources/OP4.03_PS5.pdf

- 6) The community making voluntary donation is direct and indirect beneficiary of the project which was also noted by the community members during the public consultation (community members agree to voluntarily provide land for project for desired community benefits).
- 7) The operative principles in Voluntary Land Donation (VLD) are “informed consent and power of choice”, which has been met for the project, as the community land cannot be donated without the joint decision of community council’s members.

Challenges and risks of Community VLD: In regard with above, the challenges and risks of Community VLD are properly mitigated by the following measures:

- Community’s understanding of VLD and its consequences (pros and cons), which is certified by decision of community council’s members,
- The “voluntary” nature of decision to donate made without coercion, which has been ensured by the opinion of community members noted during the public consultation,
- The donation conditions and legal issues (use with limitations, transit, right of return, taxes etc.) are properly documented by the draft donation agreement which is transparent for the community members,
- The land donation will be properly documented by GoA decree with full compliance with national legislation.

Provisions of land donation agreement: In accordance with legal provisions of national legislation, in the Land donation decree between the Mets Masrik community and Fund, the general references are given to the Article 65 of the LC, as well as to the article 605 of Civil Code (described in the previous section). The provision of Article 605 of the RA Civil Code defining the general conditions on “Charitable Giving” (donation) are applied for the land donation of community land plot from Mets Masrik community to the Fund, particularly the following main provisions are reflected in the agreement on the donated land:

- (clause 3) A charitable gift of property to a citizen must be and to legal persons may be conditioned by the charitable donor on ***the use of this property for a defined purpose***
- (clause 6) ***The utilization of charitably donated property not in accordance with the use indicated by the charitable donor*** or the changing of this use in violation of the rules provided by Paragraph 4 of the present Article ***shall give the right*** to the charitable donor, his heirs, or other legal successor ***to demand the rescission of the charitable gift***
- (clause 7) ***Legal Succession in Case of Promise of a Gift are not applied*** for the land donation under the Project.

The main regulations on land donation applied under the project, as well as the schedule are summarized below in table 3.4.

Table 3.4 Land donation and related regulations per status and timeframe

N	Procedure, action	Status	Timeframe of completion	Remarks
1	Approval of government decree (GoA) on Land donation	The draft government decree on Land donation has been circulated among the state agencies and will be approved by government upon completion of all applicable procedures within state agencies: (i) circulation of the GoA decree through all stakeholder state agencies, (ii)	April, 2018	The draft GoA decree is attached in Annex 9

		conclusion by Ministry of justice, (iii) approval by GoA.		
2	Signing of Land donation agreement between the community and R2E2	Land donation agreement has been prepared by R2E2, which will be signed between the parties upon approval of GoA decree	Upon approval of GoA decree	The draft Land donation agreement is attached in Annex 10
3	Signing of Land Transfer Agreement between the Selected Investor and R2E2	Land Transfer Agreement has been prepared by R2E2, which will be signed between the parties upon selection of the Investor	Upon selection of the Investor	The draft Land donation agreement is attached in Annex 11
4	Transfer of defined community development fee to the account of community of Mets Masrik	The defined community development fee shall be transferred by the Investor prior the conclusion of Government Support Agreement (GSA).	The transfer of money is a condition of GSA signing	
5	Transfer of the Land to the Investor	<ul style="list-style-type: none"> The R2E2, following conclusion of Land Transfer Agreement and the GSA between the GoA and the Investor of Masrik-1 solar PV Power Plant shall transfer the Land to the Investor. Transfer of the Land to the company shall be done based on a Transfer act between the R2E2 and the Investor. 	Within [10 days] following the conclusion of mentioned agreements	

4. SOCIO-ECONOMIC PROFILE OF METS MASRIK COMMUNITY

The main objective of the Socio-Economic description of the Project area (Mets Masrik community) is to provide a picture of the key socio-economic features of the stakeholder community and people, such as education levels, gender, age, land resources etc, in order to understand the potential impacts of land donation (actual land loss of community pasture) on the community and identify options for rehabilitation in the ?.

In the frame of social due diligence, desk surveys have been carried out, particularly analysis of the available official quantitative socio-economic and demographic data was obtained to determine the important social impacts related to the project implementation. The presented data is based on the official statistical data on marz level and actual data obtained for community level.

4.1 Sociodemographic picture and livelihood of Project location Marz (region)

The project location is situated in the Gegharkunik marz. It is located at the eastern part of Armenia, bordering Azerbaijan and the Shahumyan Marz of Nagorno-Karabakh Republic. With an area of 5,348 km², Gegharkunik is the largest marz in Armenia. However, approximately 1,278 km² of its territory is covered by Lake Sevan, the largest lake in the Caucasus and a major tourist attraction of the marz.

According to the date of official census conducted in 2011, Gegharkunik has a population of 235,075 (119,180 men and 115,895 women), forming around 7.8% of the entire population of Armenia. The urban population is 71,423 (30.4%) and the rural is 163,652 (69.6%). The marz has 5 urban and 87 rural communities. The largest urban community is the regional centre of Gavar, with a population of 20,765. The other urban centres are Sevan, Martuni, Vardenis and Chambarak. With a population of 9,880, the village of Vardenik is the largest rural municipality of Gegharkunik and is also the largest rural community in Armenia.

4.2 Sociodemographic profile of Mets Masrik community

Mets Masrik is a rural community in Gegharkunik marz with an area of 36 km². The community has a school, a primary school, two kindergartens, medical clinic and a flour mill, hotel, gas stations, ten shopping centres, tower, meteorological station, a post station, irrigation system. The population according to the data of RoA government is 3,428.³

In the frame of social due diligence, the following socio-economic and demographic data has been officially obtained from Mets Masrik community and analyzed by the Consultant:

- | | |
|---|--|
| 1 | Total number of community members per gender and age (permanently living in community) |
| 2 | Total number of community households (HH) |
| 3 | The number of vulnerable HHs registered in Family Benefit System receiving family poverty allowance |
| 4 | The number of vulnerable HHs headed by a breadwinning women and not including other adult, working-age person |
| 5 | The number of vulnerable HHs headed by persons entitled to old age pension and not including other adult, working-age person |
| 6 | The number of vulnerable HHs headed by persons with disability of 1 st and 2 nd group and not including other adult, working-age person |
| 7 | (i) The number of HHs that engaged in cattle breeding as a business and main source of income
(ii) The number of HHs that engaged in cattle breeding for family consumption purposes and not as main source of income |
| 8 | The total number of animals of the community (small ruminants and cattle) |
| 9 | The number or % of community members per their employment by sectors:
1) Agricultural activity
2) Paid employment in the community / region
3) Paid employment (also seasonal) in abroad
4) Self-employed
5) Unemployed (including housewife)
6) Pensioner
7) Other |

³ The data on actual population obtained by community differs from the statistical data.

10	The total land resources of the community (ha):
1)	Arable land
2)	Pasture land
3)	Grass
4)	Orchard. vineyard
5)	Other agricult. land
6)	Residential
7)	Commercial
8)	Industrial
9)	Common use land, transport, energy etc.
10)	Other non-agricultural land
11	Public utilities and common resources of community

The collected data allows analyzing the standard of living, socio-economic conditions of community members, alternative land resources of community in the light of loss of pasture land to be donated for the plant (severity of impact) and possible changes in individual and community income/livelihood due to the project.

The general socio-economic findings on Mets Masrik community are given below and the reference from community on the provided data is attached in Annex 1.

Gender and Age distribution: Tables 1 and 2 below present the distribution of households and population of affected communities by age cohort and gender. The average distribution between genders for the community is 1837 (49.1%) for male and 1905 (50.9%) for female.

The age average distribution is as follows: More than 57% of population is in working age, of which 21.3% age of 18-35 and 36.6% age of 35-55; 23% post-working age of 55 and more, while the 19.9% is age of 0-18.

The total actual number of community members permanently living in community is 3742 and the total number of Households (HH) is 950, of which only 915 are permanently living in community. Thus, the average size of HH is 4.

Table 1. Gender distribution of community members (permanently living in community)

Actual total number of population	Total number of HHs	Gender		The average size of HH
		Male	Female	
3742	915	1837 (49.1 %)	1905 (50.9 %)	4

Source: Data provided by Mets Masrik community administrative office, 2018

Table 2. Age distribution of community members per gender (permanently living in community)

Age	Number of total population per age distribution	% of age distribution per total population	Male	Female
0-18	715	19.1	360	355
18-35	797	21.2	397	400
35-55	1370	36.6	670	700

55 and older	860	23	410	450
Total	3742	100%	1837	1905

Source: Data provided by Mets Masrik community administrative office, 2018

Employment: According to the obtained data the employment picture in community per their employment by sectors is characterized by the following:⁴

- 55.3 % (2000) of community members are involved in agricultural activities
- 9.7% (350) of the community members has paid permanent employment in the community / region
- While only 0.83% (30) of community members has paid employment (also seasonal) abroad
- 0.55% (20) of community members are self-employed
- In total 45% of community members are unemployed (including housewife), of which major are housewives- 33% (1200)
- 12.7% (460) are pensioners

Thus, the key sector of employment is agricultural sector and then comes the paid employment in public sector or private sector. Meantime, the main sector in agricultural activities is cultivation and related agricultural works, and only after that- the cattle breeding.

Vulnerability: In the frame of social due diligence the following vulnerable groups have been considered as vulnerable: poor/low income households, women headed households, households having physically challenged persons and households headed by elderly persons (above 65 years). According to data provided by Mets Masrik community, 160 households are registered in the evaluation system of vulnerability of families (ESVF) in Mets Masrik. They receive a family allowance in average 34,250.00 AMD (minimum is 24,000.00 AMD, maximum is 63,000.00) in case when the minimum salary of RA is amounted to 55,000.00 AMD. Taking into account the actual data of 3,742 people and 915 households (4 persons per AH) in community, 17.4% of the total households are poor in Mets Masrik.

Meantime, there are 13 women headed HHs, 5 elderly headed HHs, as well as 3 HHs headed by physically challenged persons respectively 1.4%, 0.5% and 0.3%.

Thus, with total number of 915 HH in community, the **24.7% (226HHs)** has different status of vulnerability. Details on vulnerability in Mets Masrik community are presented in table 3 below.

Table 3. Vulnerable HHs in Mets Masrik community

Vulnerability Status	Number of vulnerable HHs	% of vulnerability distribution in total population
Vulnerable HHs registered in Family Benefit System receiving family poverty allowance	160	17.4
Vulnerable HHs headed by a breadwinning women and not including other adult, working-age person	13	1.4

⁴ The presented figures are **with double counting**.

Vulnerable HHs headed by persons entitled to old age pension and not including other adult, working-age person	5	0.5
Vulnerable HHs headed by persons with disability of 1 st and 2 nd group and not including other adult, working-age person	3	0.3
Total	226	24.7

Source: Data provided by Mets Masrik community administrative office, 2018

Cattle breeding activities: According to data provided by Mets Masrik community, the number of HHs that engaged in cattle breeding as a business and main source of income is 18 (almost 2% of total HHs), while 367 HHs (40% of total HHs) are engaged in cattle breeding for family consumption purposes and not as main source of income.

The total number of animals owned by community members engaged in cattle breeding is as follows: small ruminants -2375 and cattle-1650 (of which 500 are cows, and the remaining are mainly calves).

Land resources of community: The data provided by Mets Masrik community office shows, that the majority of land resources held by community are arable land (almost 70%). The pasture land is 12.9% of total land resources (465ha, including the donated land), which means that the donated 97.4ha land amount to 20.9% from the total pasture land and 2.7% of all total land resources held by community. There are no orchard and vineyard land plots in Mets Masrik community. The total land resources of Mets Masrik community per land types are presented below in table 4.

Table 4. Land resources of Mets Masrik community per land type

Land type (purpose)	Area, ha	% in total land resources
1) Arable land	2500	69.5
2) Pasture land (including the donated land)	465	12.9
3) Grass	62	1.6
4) Orchard, vineyard	--	--
5) Residential	265	7.4
6) Commercial	13	0.4
7) Industrial	6.5	0.2
8) Common use land, transport, energy etc.	24.5	0.7
9) Other agricultural land	250	6.9
10) Other non-agriculture land (special use, water, forest etc.)	13.5	0.4
Total	3599.5	100

Source: Data provided by Mets Masrik community administrative office, 2018

Based on the above socio-demographic data, it can be assumed that the project may impact the HHs that engaged in cattle breeding both as a business and main source of income is 18 (almost 2% of total HHs), or for family consumption purposes and not as main source of income (40% of total HHs), who use the pasture land to be donated as a main pasture land plot, meanwhile the results of actual impact assessment survey are presented in the section 6.

5. MARKET VALUE AND AGRICULTURAL ANALYSIS OF DONATED LAND PLOT

5.1 Cadastral details on Donated land for the PV Plant

The measurement specialist hired by R2E2 has calculated the total and affected surface area, quantities (cadastral lot-code quantities) of the affected land plot by their targeted position. On the basis of measurement the land map was prepared in accordance with cadastral requirements, based on which the land proposed for the PV has been separated from the total community land and has been separately registered in cadaster.

The land plots required for the PV Plant is one community land plot free of rights of the third parties, the target position is agricultural. The total area per cadastral map is 436 Ha, of which the land surface area affected by the project is 97.4 ha. The area is used as pasture land.

The ownership certificate and map of the land plot are attached in Annex 2.

5.2 Results of Market value analysis of donated land for the PV Plant

In the frame of social due diligence expertise, the Consultant involved licensed valuator in order to analyze the current market value of proposed land for PV plant both as agricultural land and as energy purpose land. This allows analyzing the deviation of possible market value of the land with the Land Development Fee to be paid to Mets Masrik community by the Investor before signing of Government Support Agreement (GSA).

According to the valuator's conclusion the market value of donated agricultural land (pasture land) is 19.468.180 AMD, while the cadastral value is 73.005.675 AMD (see table 5 below).

Table 5. Valuation results of market value (agricultural) of the Land plot in Mets Masrik community of he RA Gegharkunik Marz (region) as of 27.02.2018

			Land are (m2)	Market value of 1 m ² of the asset in AMD	Cadastral value of 1 m ² asset in AMD	Market value of total asset in AMD	Cadastral value of total asset in AMD
			973.409,0	20,0	75,0	19.468.180,0	73.005.675,0

The licensed Valuator's conclusion is attached in Annex 3.

5.3 Results of Agricultural analysis of the land proposed for PV Plant

The Consultant involved a qualified agronomist in order to analyze the productivity and agricultural value of the proposed land for PV plant. The applied methodology by the agronomist, as well as the results of agricultural analysis is presented below.

Applied Methodology:

The following approach was applied by the agronomist for the determination of the productive value of the donated land:

- 1) Current productive value of the donated land as pasture was determined by visual inspection and organoleptic method⁵. In particular: the annual grass yield of the given pasture and the quality of the total land plot as a pasture by means of pasture carrying capacity (PCC) indicators;
- 2) The approximate number of animals (small ruminants and cattle) served by Donated pastureland or the average number of animals that can be served by similar size and quality pastureland was determined;
- 3) The total number of animals of the community (small ruminants and cattle)⁶ was considered and based on the obtained data the total surface of the pasture required to serve such number of animals was identified.

Based on the above, the following was determined:

1. The actual productive value of the Donated land
2. Possible actual impact of the loss of the donated land on cattle breeding in the context of serving the animals available in the community.

Results of agricultural expertise

1. Actual productive value of the Donated land

Mets Masrik community pastures of 460 hectares (Gegharkunik Region) are located at 1950m above sea level in steppe zone and were formulated? in the areas cleared from water of Lake Sevan in various humidity conditions as river valley lands with thin soil and sand-clay soil texture.

About 100 hectares of territory was visually inspected at different sections by sampling method and it appeared to be completely degraded, which is due to early spring grazing, soil compaction and it is also the result of big numbers of animals taken to community pastures because of the limited possibility of individual farmers to take their animals to the remote pastures in summer and decline of land fertility.

The pasture land is a flat area and its crop-engineering condition can be described as follows: free of surface or semi-buried stones, covered with clods (on average 15% of vegetation origin: 10-15 cm in diameter), vegetation (20-30%) and plant formation is poor (mainly covered by wheatgrass with low fodder unit), with low productivity: maximum 1 centner/hectare annually (1 centner is equal to 100kg).

Conclusion: Ineffective pastureland

2. Possible actual impact of the loss of the donated land on cattle breeding in the context of serving the animals available in the community.

In order to valuate the mentioned impact, the pasture carrying capacity (PCC)⁷ was determined. This indicator shows the maximum number of agricultural animals that can graze the unit area (1 ha) of the pasture throughout the grazing season without damaging the vegetation of the pastureland. The identification of pasture capacity is important since its permanent excess leads to the degradation of the pasture and loss economic value of grassland.

PCC is calculated in accordance with the following formula for conventional number of cattle (NC):

$$\text{PCC} = Y / (C \times G), \text{ where:}$$

⁵ Organoleptic method is the study of object/property (aspects of food, water or other substances) when an individual experiences via the [senses](#)—including [taste](#), [sight](#), smell, and touch.

⁶ This information was provided by the community with an official letter.

⁷ See “Manual for Environment Protection in Pastures and Field Fodder Areas”, author: prof. G. Tovmasyan.

PCC – pasture carrying capacity, number/grazing season,

Y – yield for 1 ha pasture (green or dry mass), kg/ha,

C – daily fodder for conventional number of animals (green or dry), kg

G – grazing period, day.

For example: average yield for 1 ha: 4,000 kg green mass, daily fodder for 1 conventional animal: 50 kg/day, grazing period: 150 days.

$$\text{PCC} = 4,000 / (50 \times 150) = 0.53 \text{ animal/ha}$$

This means 0.53 animal for 1 hectare or during the grazing period one animal on average needs 1.89 ha pastureland (1 : 0.53). Pasture area for the herd is calculated based on the pasture carrying capacity and number of animals.

Therefore, in case of the Donated land the yield indicator is 40 times lower (yield of 1 ha pasture makes 100kg green mass).

$$\text{PCC} = 100 / (50 \times 150) = 0.013 \text{ animal/ha}$$

This means that in case of the Donated land 0.013 animal for 1 ha or during the grazing period one animal on average needs 76.9 ha pastureland (1 : 0.013).

Conclusion: Taking into consideration the aforementioned, it can be concluded that the possible actual impact of the loss of the Donated land, in the context of serving for the animals, is rather little. And it cannot significantly affect the activities of individual cattle breeders of the community.

The expert conclusion by agronomist on the productive value of donated agricultural land plot (pasture) is attached in Annex 4.

6. RESULTS OF SOCIAL IMPACT ASSESMENT SURVEY

6.1 Applied methodology

Key Informants Interviews (KII) and Focus Group (FG) discussions and analysis of documents have been the main methods for the survey. In addition, meetings and consultations have been conducted with the representatives of community leaders, community members, owners/people with property rights for the plots adjacent to donated pasture lands.

The following persons have been invited for the KIIs and FG discussions:

- Community members who have animals and are engaged in cattle breeding;
- Community herdsman;
- Representatives of community administrative office;
- Owners/renters of the plots adjacent to donated pastures.

All the interviews were recorded, written in shorthand and analyzed. Review and analysis of documents, provided data and maps was carried out.

The following main indices were used for the collection of community members who are engaged in cattle breeding:

- Number of animals and the fact of cattle breeding being or not the primary source of income;
- Distance from the land plot donated for the construction of the power plant;
- Distribution by gender.

As a result they were included into two groups:

- a) community members engaged in cattle breeding as a business and the latter being their primary source of income and
- b) community members who have not big cattle and it is used mainly for family consumption and it is not their primary source of income.

Community members engaged in cattle breeding were collected by means of snowball method taking into consideration the above two groups as well as the distribution by gender factor. The number of community members interviewed in the community was determined based on the socio-demographic data analysis of community. Details on carried out FGs and KIIs are given in the table 7 below:

Table 7. Details on conducted KIIs and FGs per gender

Survey Method and Number	Attendance by gender		Presented survey group
	Male	Female	
6 KII	4	2	2 interviews were also conducted with representatives of community administrative office (head of community and head of community administrative staff), as well as with the property rights holder (renter) for the plots adjacent to donated pastures ⁸ .
2 FGs	14	6	One of FG discussions was held with the representatives of group (b) and the other one was held with women of households of groups (a) and (b).
Total	18	8	The KIIs and FGs were conducted with a participation of 26 livestock breeders.

The sign-up sheets of FGs, as well as several photos from the survey process are attached in Annex 6.

6.2 Results of social impact assessment survey

Conditions and Purposes of Cattle Breeding:

One of the main activities of the community members is agriculture, including cattle breeding, trade, public and private service, work abroad, etc. Based on the needs of the survey and target group selection criteria all the participants included in the survey are engaged in cattle breeding. The majority of them are engaged in this occupation for generations, i.e. their parents and grandparents were engaged in cattle breeding and it continues as a tradition up to now. The participants also note that together with cattle breeding they are also occupied with cultivation of grain, crops and fodder growing.

Survey participants can be divided into two main groups where the first group can conventionally include the participants whose primary source of income is cattle breeding and the second group where cattle breeding is an option for family food and goods consumption. Special attention should be drawn to the fact that according to the Government Decree in case of having over 25 cows and 150 sheep, the farmer shall pay Value Added Tax (VAT) and in this respect the participants highlight that they do not allow the number of the cattle to increase from the mentioned figures not to be taxed. However, there are both farmers and HHs engaged in cattle breeding. The participants noted that they mainly have cows and sheep, since in terms of milk and meat sales, they are in high demand. They are also important for the needs of the HH since their milk is used for making cheese and cow milk is also used for making butter, yogurt, sour cream, etc.

⁸ Land plots adjacent to donated pastures are community owned pastures. Only one land plot is grassland, which is leased.

The survey participants ascertain that they do not hire workers for cattle care, grazing and other works. They do all the said work with the help of HH members and hire only herdsmen to take the animals to fields for grazing. The interviewees state that they pay 2500-3000 AMD to herdsmen for each animal to be taken to the fields for grazing during the season. Moreover, representatives of the above-mentioned two groups turn to herdsmen services irrespective of the number of animals in the livestock, since one of the major conditions of having a livestock is taking the animals to pastures in summer. It is impossible to keep livestock in barns all the time.

Opportunities for making cattle breeding a primary source of income:

In this respect the participants note that cattle breeding, at present, is not a profitable occupation. It allows satisfying some needs, in particular: resolving some issues with nutrition; however, it cannot be a primary source of income due to a number of reasons: first of all, one of the main obstacles is the low market price to preserve milk, which, based on the season, varies from 90 to 120 AMD. Especially in summer milk has the lowest preservation price. This is due to the fact that milk is accepted based on the percent of fat content and in summer the fact that the stock is usually in the field and is fed with green grass and is in constant movement leads to the decrease of fat content in milk. Thus, milk is preserved at the lowest price in summer. The participants also highlight that the buyers are not always honest and they usually buy milk at the lowest price without special measurements clearly realizing that the farmers have no other way and milk may lose its quality or even become useless if stored for a long time. This means that the farmers do not have an alternative and the milk that cannot be consumed by the HH must be sold irrespective of the price.

A male participant – For example, I have 6 animals, which is too much for 10 members of my family. I give out the extra part. This is the right thing to do. Even at a low price, but we have to do that. What should we do, if we keep it?

The interviewees note that HH income is also generated from earnings from wages, pensions and working abroad. They also add that the major part of occupation makes cultivation of a) crops -wheat, common sainfoin, lucerne, b) vegetables – potatoes, tomatoes, cucumbers, beans, cabbages and so on. The participants state that the major part of the vegetables and cereals are used in their HHs and the remaining volumes are bartered or sold.

A female participant – For example, I provide my daughter's school clothes (t-shirts, skirts, shoes) thanks to barter. This is the main way we buy clothes.

To the question, where they usually take the livestock for grazing, the participants mentioned that in summer they usually take their livestock to the pastures of neighboring villages because it is more convenient. They highlighted that in the past their community used to have a remote pasture with all facilities where 120-130 families used to stay and take their livestock during the summer months. At present, after the demise of the Soviet Union, there is no road to take the livestock to the said remote pasture, there is no place to stay, neither electricity nor water. This makes it impossible to stay and work for a few months in the pasture. Another important issue is the absence of milk collection station in the remote pasture, which is a significant obstacle for the organization of the works.

During the interview it became clear that formerly Mets Masrik community used to have 2 more remote pastures with all necessary facilities. However, these pastures were transferred to neighboring Kutakan and Akunq communities according to a Government Decree, which also had an impact on the cattle breeding of the community.

Moreover, the participants consider that it is more convenient to use the pastures of neighboring communities, for which, they, however, have to make payments. The participants indicated that certain amount is charged for the use of the pastures. This means that the less the number of the stock is the more expensive it is to take the animals to those pastures. And vice versa, the more the number of the livestock is, the cheaper it is. Therefore, farmers having many animals take their

livestock to the neighboring pastures and the ones with fewer animals take their livestock either to their community pastures or to remote pastures.

Based on the aforementioned, the community leaders decided not to charge farmers for using the community pastures, thus trying to ease the burden of the community members and to motivate them to be engaged in cattle breeding.

To the question, whether in future cattle breeding can become a primary source of income for the community members, the interviewees indicated that, to this end, a series of measures must be taken, including improving the quality of the existing pastures, creating farms and providing necessary conditions in the remote pastures. However, the community members also note that even if the conditions will be created in remote pastures or the quality of the existing pastures will be improved, it will not ensure the development of cattle breeding in the community, as there are factors depending from the general socio-economic conditions of the sector.

The interviewees also stated that cattle breeding can be developed if the Government pays relevant attention to this sector. As a justification, they emphasized the fact that the overwhelming majority of the community members have loans in different banks and credit organizations and lately the market prices for meat have increased, so most of the farmers prefer to slaughter their cattle, sell them and pay their loans and interest rates. The reasons for taking loans are various; however community members highlight their needs for making investments into agricultural works. Therefore, the community needs the state support to resolve the main issues, i.e. creation of remote pastures and farms with favorable conditions. They also stress that systematic improvement of the pasture qualities by means of complex measures is also very important, which can be the best incite for cattle breeding development. However, this is a process requiring serious financial and technical investments which cannot be done without state support.

Use of the Donated Pastureland:

According to the survey participants about 30-40% of the community livestock breeders take their animals to the neighboring pastures, about 10% take their livestock to the community remote pastures and the remaining 50% take their livestock to the donated pasture and the adjacent areas. The donated pasture makes a part of about 465-hectare pasture and these areas are used as main pasturelands.

The survey participants mentioned that mainly livestock breeders with not a big amount of animals use the donated pasture for grazing. This is due to the fact that the vegetation of this pasture is sparse and poor, the soil is salty, the vegetation is burned easily because of the location of the pasture and all this decreases the grazing period (maximum 1-1.5 months in May-June). The participants emphasized that the mentioned pasture is a place for the animals to breathe fresh air since, as it was already noted, the vegetation is sparse, which means that the pasture is more suitable for sheep grazing rather than cows, because it is impossible for them, due to anatomical characteristics, to bow their heads so much and to graze. Thus, the animals do not return from the said pasture well-fed and it becomes necessary to provide them with additional fodder.

Male participant – The animals are not fed here all summer, maximum a month and 10 days and after that the vegetation becomes rather sparse.

Male participant – After the month of May no one takes their livestock there. I don't take my animals there. The vegetation is very poor and it becomes dry very soon. Starting from mid-May it's dry and if it doesn't rain, 15 days later it's dry. It becomes just a road, this is the reality.

The interviewees highlight that they have not been charged lately for using any pasture, because, as it was already mentioned, the community leaders made a decision, even to the detriment of the community interests, not to charge the community members and to stimulate cattle breeding.

And to the question where they are going to take their animals instead of the donated pasture, the participants answered that they would take them to the adjacent area (surrounding community-owned pasturelands) especially considering the fact that it was impossible to leave the animals there during the summer season due to sparse and dry vegetation.

The interviewees highlight that there is no difference for them whether to take the stock to the donated pasture or to other adjacent areas. It means that the issue has two viewpoints: the physical accessibility of the donated pasture and its efficiency (vegetation). The first condition is considered important by the residents of adjacent areas and the second condition is highlighted by the farmers with a big number of animals and who claim that the animals are not well-fed there.

Finally the majority of the interviewees think that the “loss” of the donated pasture cannot, in any way, impact either the volume of cattle breeding in the community or the future of the sector, because there are global problems and the situation cannot be improved without them being resolved in the first place. And the possibility or impossibility of using the given 100 hectares of pasture does not make any change, according to the survey participants.

Awareness of the Project, Possible Impacts, Advantages and Disadvantages, Expectations from the Project:

The overwhelming majority of the interviewees showed good awareness of the goals and functions of the Project, which indicates the high interest of the community members in the Project. The major part of the interviewees consider that the construction of photovoltaic power plant will allow the community to develop into a large industrial center, which will definitely have its positive impact on the community and the lives and improvement of living conditions of the community members. They think that the community will become a developed industrial center which will also provide employment for community members. The fact of the community receiving 80 million AMD is also appreciated by most of the interviewees since they believe that the money will serve only for the welfare of their community and its members.

A small number of interviewees are worried about the ecological safety issue of the power plant, but the majority trusts the information provided during the public consultation on the fact that the power plant is safe from the environmental point of view and cannot cause damage to the community flora and fauna and especially people. They think they should be optimistic as this is a progressive step for the community and the power plant is going to be the first one in the RA given its capacity and potential.

The major part of the interviewees thinks that the most important expectation from the Project is the job creation and, according to some assertions, the community has corresponding professional potential which can be used both during the construction works of the station and during its future operation.

Public consultation (PC) male participant- the company can also rely on the local workforce. There are a lot of good specialists in our village: electricians, constructors and so on who can work in the Project at least during the construction phase. This is a good chance to think about the future education of our children. We will understand what profession will be good for them to send them to learn and to come and work in our village.

The participants also consider that another important fact is that a certain amount is going to be transferred to the community budget as a result of power plant operation which is a big deal for the community and can be used for the development of infrastructures and rehabilitation of buildings and roads. A part of the residents hope that the resulted electricity will be sold to the residents at a lower price. Besides, it should be noted that the interviewed members of the community are convinced that the construction of the power plant can be a great stimulus for the development of tourism in the community. They believe that it can be a good incentive to involve new investments and opportunities

in the community. The participants are convinced that the Project has many benefits and they highlight that they are going to support its realization to the benefit of their community.

Male participant – I think this Project will lead to the development of our village. It will be a transition from old outdated community order.

PC male participant – If a man has a cow, he doesn't consider himself as an unemployed, but we need to see our village transform into an industrial community.

Possible impact on the owners/users of near located land plots:

Land plots adjacent to donated pasture land are all community owned pastures. Only one of those surrounding lands is grassland, which is currently leased by one of the community members, others are not overloaded by any property rights. Besides, the leaseholder has another arable land next to his grassland land but far from the donated land. The leaseholder does not consider any impact from the construction of PV plant on his near located grassland land. He has access to his leased pasture land from the opposite side to the donated pasture land which will not be closed as a result of construction.

Other possible impacts:

During the survey the community members (including the renter of the surrounded land) have been asked whether the donation of the land limits the usage of any utilities near the donated land particularly the usage of water resources nearby the donated land plot. The community members haven't mentioned any issues in this regard. The same question also has been confirmed by the head of Mets Masrik community staff.

6.3 Women Involved in Cattle Breeding (Gender sensitivity of the project)

In order to ensure the impact assessment in terms of gender sensitivity of the project, one of FG discussions was held with women of households of groups (a) community members engaged in cattle breeding as a business and the latter being their primary source of income and (b) community members who have not a big cattle and it is used mainly for family consumption and it is not their primary source of income. Meantime, gender-specific consultations were carried out with community women during the PC

The survey shows that Mets Masrik community women are not engaged in cattle grazing. They are mainly involved in processing milk and milk products as well as in selling and bartering the said products. Women of Mets Masrik community have not seen any negative impacts which project may cause for the community, moreover, they consider the project as an opportunity for future employment for different specialists available in community. One of the main advantages of their community women mention is the comparatively high level of education and capacity which may be used during the project implementation. The FG participants mainly confirmed the information and opinions collected through PC, KIs and other FG.

7. PUBLIC CONSULTATION, PARTICIPATION AND GRM DISCLOSURE

According to the WB policy requirements, the PAPs and other stakeholders of the project must be properly consulted and provided with opportunities to participate in all stages of the preparation and implementation of the Project.

Head of Community, potential PAPs and other stakeholders have been informed on the project, schedule, possible impacts and compensation procedures, as well as on the donation of community land for the construction of power plant during the conducted public consultation (PC).

The special announcement has been posted in community administrative office, as well as disclosed via project website and social media. The announcement has been published also in one of the published local print media.

During the public consultation (PC) the community members have been informed about the Project phases and conditions, possible environmental and social impacts and proposed mitigation measures, the details on land donation, as well as possible impacts during the construction of OTLs and access roads. Special attention was paid to the participation of community members who own animals and use pastures to understand their position regarding the donation of community pasture land for the project and its possible positive and negative impacts on community in general and on their agricultural activity in particular.

The agenda presented during the PC was as follows:

- Presentation of Project design.
- Presentation of the specialist's recruited by the R2E2 Fund for the implementation of the Project.
- Presentation of the implementation and organization process and stages of the construction of a power plant in Mets Masrik community.
- Discussion of possible environmental and social issues arising during the Project implementation and mitigation measures to be taken.
- Information on the Grievance Redress Mechanism.
- Questions and answers.

The following participants attended in the PC:

- 1) Ruben Gevorgyan – Project Manager of “Construction of Masrik-1 Utility-Scale Solar PV Power Plant Investment Program in Armenia”
- 2) Armen Asatryan – Community Leader
- 3) Edik Poghosyan – Head of Staff of the Community Leader
- 4) Sona Poghosyan – Resettlement Specialist
- 5) Lilit Dilanyan – Sociologist, Meeting Secretary
- 6) Community residents, stakeholders: 13 persons (all men).

In total, 13 people from local community have been participated in PC. The list of participants is attached in Annex 8.

In the meantime, the 26 community members have been participated in KIIs and FGs (see the details in table 7 presented in the section 6). Thus, the total consulted community members is 39, of which 8 women (20%). All community members are aware about of the project in general terms; however, a few sections of the people are not aware about the project details and have been consulted in details. People are supportive about the project as it will improve the economic situation in the community and will bring other investments, as well as job opportunities. During the PC the Project's GRM has been disclosed to community members. The key issues discussed, questions raised during the meeting are presented in the table below (for details, see Annex 2: Minutes of Public Consultations). In some cases, people just expressed their opinions and expectations on the project, which are also summarized in below table.

The PC announcement and Information leaflet is attached in Annex 7 and the Minutes of PC is attached in Annex 8.

Table 8. Issues discussed during the PC

#	Issues	Summary Response, Participant's Opinion, Comments and Suggestions
1	<p>AP Q1- Does the power plant construction envisage new employment possibilities?</p>	<p>Mr. R. Gevorgyan – Yes, 2 stages of works are envisaged and about 20 direct workplaces will be opened and other indirect work opportunities will be created. I would also like to mention that the power plant construction will make the village more recognizable. And in the long-term perspective the Project can be more profitable.</p>
2	<p>AP Opinion– I have two cows, but if I have a job, I won't have cows and another person, for whom livestock is a source of income, would have those 2 cows and it would be more profitable for him. Cattle-breeding is not the main source of income, having a regular job is more important. That can contribute to the development of the village. Otherwise, selling milk with 110-120 AMD is useless and we shouldn't have to concentrate on cattle breeding.</p> <p>AP Opinion - When a person has cows, he considers that he is not unemployed, but we need to turn our village into an industrial one, so we mustn't focus on negative parts, because the positive outcomes of the Project are more significant.</p> <p>AP Opinion – This Project will not impact cattle-breeding. I have a lot of cows but I support this Project. I keep my animals in another place and I pay for using pasturelands and the donated pasture is not even sufficient for the animals for 2 months.</p> <p>AP Opinion - Its soil is salty, vegetation is poor, and we provide additional fodder to the animals and simply take them to that pastureland.</p>	<p>Ms. S. Poghosyan –Thanks you for your opinions. I would like to say that we shall not ignore any possible impact. We simply need to understand what type of impact the Project will have on the community. I would also like to note that the community provides the land and the Investor will be obliged to provide money to the community for its development.</p>
	<p>AP Q2. - Is the land allocated?</p>	<p>Ms. S. Poghosyan – No, the community donates the land and the Investor will donate 80 million AMD as a community development fee. The Investor will also be paying property tax and land tax for approximately 20 years: 6 million AMD annually.</p> <p>Mr. R. Gevorgyan – The Government will approve it (donation agreement) this week and we expect to have a winner of the tender on March 7. The amount will be transferred to the community and only then the land will be donated. Even if in future the land is returned to the community, the amount cannot be withdrawn according to the agreement.</p>

#	Issues	Summary Response, Participant's Opinion, Comments and Suggestions
	<p>Mr. A. Asatryan (head of community) – We plan to repair the community kinder garden, construct a water pipeline, build a football field, purchase a combine harvester and other equipment, provide street lighting and construct roads. In other words, we have a lot of problems that need solution. And I have a question: the community makes a donation and what is the Investor going to do?</p>	<p>Ms. S. Poghosyan – As already have been mentioned, the Investor will provide 80 million AMD as community development fee. If the Investor wishes to make other investments, he can do so, but there are no other mandatory conditions for that. However, it is going to be a long-term investor who will be acting here for 20 years and, I believe, the investor will integrate into the community issues in any case.</p> <p>Mr. R. Gevorgyan – Yes, we have no other mandatory conditions, but the bidders are serious international companies.</p>
	<p>AP Opinion – The winning company can also make use of the local workforce. We have a lot of good specialists in our village: electricians, builders, and so on, who can work in the Project, at least at the construction stage. This is a good chance to think about the future education of our children. We will understand what profession will be good for them to send them to learn and to come and work in our village.</p>	<p>Ms. S. Poghosyan – Yes, of course, the Investor may use the local capacity if relevant specialists are available.</p>
3	<p>AP Q3. - Are there any adverse environmental impacts?</p>	<p>Mr. R. Gevorgyan – There would be, if the power station worked based on the concentrated energy principle, but this is going to be a photovoltaic plant. Its panels do not differ from usual roofs. They absorb 20% of the energy and in their shadows plants grow very well since it becomes more humid there. We have survey results showing that such power plants do not harm the eco system. It does not cause damage to bees either. It makes no noise, vibration, radiation and emission of toxins.</p>

The GRM has been developed under RPF and was disclosed to community member during the PC both verbally, as well as it was included in the information leaflet distributed to the community members with relevant contact details (see Annex 7). Taking into account that not all members of community could participate in PC, the number of information leaflet copies has been left in community office to distribute them to the public.

8. CONCLUSIONS

1. The defined community development fee shall be transferred by the Investor to the account of community of Mets Masrik prior the conclusion of Government Support Agreement (GSA) before the transfer of the land to the Investor.
2. 55.3 % (2000) of community members are involved in agricultural activities. The main sector in agricultural activities is cultivation and related agricultural works, and only after that- the cattle breeding.

3. The community livestock breeders can be clearly divided into two groups: for the first group cattle breeding is the primary source of income, which, makes almost 2% (18 HHs) out of total 915 HHs of the community, i.e. farmers who also provide work opportunities for other community members. And the second group includes people for whom cattle breeding are only for the needs of their families: 40% (367 HHs) out of total number of HHs. For the majority of community members, cattle breeding is a means for providing food and only for a small part it is a primary source of income, which, however, needs support in terms of development and profitability.
4. Almost all the interviewed livestock breeders hire herdsmen in summer who take their animals to graze to the community pastures or to the neighboring community pastures. A herdsman is paid 2500-3000 AMD for each animal to be taken to pastures for a month.
5. Cattle breeding can be profitable for the community members only in case when it becomes their business, i.e. a cattle farm which acts in accordance with all corresponding rules. This is a process with its own work cycles which brings profit and the most important factor for this is the existence of respective pasturelands. In this respect neighboring community pastures are of great help. They are used in summer by Mets Masrik community members for an appropriate fee. An obstacle for cattle breeding development and profitability is also the lack of conditions for people to stay and work in the community remote pastures as well as the low market price for milk collection. It does not justify the hard work of the livestock breeders, i.e. the milk is collected at such a low price that it does not justify the expenses and efforts made. Therefore, there is no incentive to develop this sector.
6. The majority of land resources held by community are arable land (almost 70%). Thus, another important factor is the crop and vegetable cultivation and sales are other main occupations of the community members (mainly own HHs). This means that they use the products for the needs of their HH and some of the products are bartered or sold. According to the information received by the head of staff of the community council, the arable lands are almost totally cultivated.
7. The pasture land is 12.9% of total land resources (465ha, including the donated land), thus the donated 97.4ha land amount to 20.9% from the total pasture land and 2.7% of all total land resources held by community.
8. The majority of the community members having a small number of cattle and small ruminants take their animals to the pasture donated for the construction of the PV power plant and to adjacent areas, because it is the only close community pasture. The community also has remote pastures where the livestock breeders with a large number of animals (i.e. farmers) take them to graze. However, it shall be noted, that there are no corresponding conditions and a good road to the remote pastures which is a huge obstacle for the organization of the cattle breeding.
9. After “losing” the donated pasture the community members will use its adjacent areas, remote pastures of the community and will also continue using the pastures of neighboring communities. Given the fact that mainly community members with a small number of animals use the donated pasture, livestock breeders are clearly divided into two groups: the first one does not usually use the donated pasture because they live in the part of Mets Masrik which is closer to the pastures of the neighboring community. Thus, this group takes the animals to the pastures of neighboring community and the representatives of this group are not at all concerned with the impossibility to use the donated pasture because it was, anyway, located farther. The second group includes the breeders who reside in the part of Mets Masrik from which it is closer to take their animals to the donated pasture and adjacent areas and these pastures serve as main areas for their livestock to graze.
10. Some interviewees think that there might be a decrease in the number of the livestock as it might be difficult to take the animals to the remote pastures. In particular, this may refer to the livestock breeders who reside close to the donated pasture and who preferred to use it for their livestock.

Others believe that in case it becomes possible to use the said pasture, it will be necessary to increase the additional fodder for animals, which is an issue since it increases the expenses made on each animal, whereas the income from cattle breeding is not so large. However, the loss of the donated pasture will not have a significant impact on the second group either, because if the animals are not well-fed on the donated and adjacent pastures, they can take the animals to the remote pastures of the community or to the pastures of the neighboring communities.

11. According to the valuator's conclusion the market value of donated agricultural land (pasture land) is 19.468.180 AMD, while the cadastral value is 73.005.675 AMD. The community development fee (CDF) to be transferred to the community, in the value of 80mln AMD, is a little higher than the cadastral value of the land plot and more than 4 times higher than the market value of the land plots.
12. The donated pasture lacks satisfactory vegetation and, as a result, the animals are not well-fed there and the breeders have to give them additional fodder. This pasture is more appropriate for sheep rather than for cows because their anatomical characteristics do not allow them bowing their heads so low. According to the expert conclusion by agronomist on the productive value of donated pasture land plot, the Donated land is *Ineffective pastureland*, and the possible actual impact of the loss of the Donated land, in the context of serving for the animals, is rather little: only 1.27 animal according to the agricultural conclusion; and as mentioned by the community members, sometimes they just take the animals there to walk, but it is not the main source of fodder/grass for the animals, the users of donated land plot can restore it from other neighboring pastures or just continue to buy a little more fodder, therefore it cannot significantly affect the activities of individual cattle breeders of the community.
13. Women of Mets Masrik community are involved in cattle breeding but their responsibilities are limited to milking operation and producing milk products such as sour cream, yogurt, cheese, butter and quark. Women are also engaged in barter and sale of the milk products. Therefore it is assumed that there will be no impacts on women by the donated of pastureland under the project.
14. Community members are aware of the Project, its goals and functions, which indicates their great interest in it. The construction of photovoltaic power plant in the community will make it possible to turn it into an industrial center which will provide employment for some of the community members and will also enhance tourism development as this is going to be the first power plant in the country with such capacity. This will draw the attention of investors and tourists to the community. According to the community members the budget of Mets Masrik will grow based on the taxes paid by photovoltaic power plant. And this will also serve for the needs of the community.
15. The community members has been properly consulted about the Project phases and conditions, possible environmental and social impacts and proposed mitigation measures, the details on land donation, as well as possible impacts during the construction of OTLs and access roads. The project GRM has been disclosed to community members during the PC.

Thus, in case of Masrik-1 PV plant construction Project, the voluntary donation of land is justified with following main conditions:

- (i) Project impacts do not result in displacement of households or cause loss of household's incomes and livelihood which may be seen by SES analysis, and
- (ii) The affected community expresses its willingness and readiness to donate the affected community-owned lands to RA for the implementation of the Project, which is documented in the minutes of public consultation meetings.

- (iii) It will be recommended to the community to use the CDF to be paid by the Investor not only for solution of community issues, but also for the improvement of conditions in remote pastures.

ANNEX 1. REFERENCE FROM THE METS MASRIK COMMUNITY ON SOCIO-DEMOGRAPHIC DATA

ANNEX 2. CADASTER DOCUMENTS ON DONATED LAND

ANNEX 3. CONCLUSION BY QUALIFIED VALUATOR

ANNEX 4. CONCLUSION BY AGRONOMIST

ANNEX 5. SURVEY TOOL FOR KII AND FG

ANNEX 6. SIGN-UP SHEETS OF FGS

ANNEX 7. PC ANNOUNCEMENT AND INFORMATION LEAFLET

ANNEX 8. MINUTES OF PUBLIC CONSULTATION

ANNEX 9. DRAFT GOA DECREE ON LAND DONATION (ARM)

ANNEX 10. LAND DONATION AGREEMENT

ANNEX 11. LAND TRANSFER AGREEMENT

ANNEX 12. LEGAL FRAMEWORK ON LAND ALIENATION, DONATION AND POSSESSION

THE GOVERNMENT OF THE REPUBLIC OF ARMENIA

DECREE No. 173-A, Dated 15 February 2018

ON GIVING AGREEMENT TO DONATING A LAND PLOT TO ARMENIA RENEWABLE
RESOURCES AND ENERGY EFFICIENCY FUND

Governed by Article 605 of the Civil Code of the Republic of Armenia, Part 6 of Article 65 of the Land Code of the Republic of Armenia, as well as aimed at implementation of Solar Photovoltaic Plants' Construction Investment Program (hereinafter referred to as the "Program") approved by Protocol Decree No. 37 of session No. 53 of the Government of the Republic of Armenia dated 29 December 2016,

the Government of the Republic of Armenia *decides*:

1. To give agreement to donation of community-owned land plot of 97.3709 hectare in area located in the administrative territory of Mets Masrik Community of Gegharkunik Marz of the Republic of Armenia to Armenia Renewable Resources and Energy Efficiency Fund (hereinafter referred to as the "Fund") as public-community-private partnership in accordance to Annex 1.
2. To define that the land plot referred to in paragraph 1 of this Decree may only be used for construction and operation of solar photovoltaic power plant and its intended purpose as a result of procurement procedure of Masrik-1 Utility-Scale Solar Photovoltaic Project in Armenia defined by Decree No. 1679-N of the Government of the Republic of Armenia dated 21 December 21 2017 aimed at implementation of the Program approved by the Protocol Decree No. 37 of session No. 53 of the Government of the Republic of Armenia dated 29 December 2016.
3. To recommend to the head of Mets Masrik Community in Gegharkunik Marz to:
 - 1) ensure that within two months of effectiveness of this Decree the land plot referred to in Annex 1 to this Decree is converted into land with an intended purpose of energy, transport, communication, utility infrastructure facilities and energy operational purpose according to the due procedure established by the legislation of the Republic of Armenia;
 - 2) in conjunction with the Fund, ensure that within ten days after the completion of the activities provided under subparagraph of this paragraph 2 the Land Donation Agreement for the land plot referred to in paragraph 1 of this Decree is entered into force by incorporating the terms and conditions specified in paragraph 2 of this Decree and that the applicable fees and stamp duties for the notary ratification and state registration of ensuing property rights are paid at the expense of the Fund.

4. To propose to the Director of the Fund, after entering into the agreement specified in subparagraph 2 of paragraph 3 of this Decree, to transfer the ownership rights of property specified therein to the company (hereinafter referred to as the Company) established for construction of solar photovoltaic power plant by an entity that would be the successful bidder of the tender as a result of procurement procedure for Masrik-1 Utility-Scale Solar Photovoltaic Project in Armenia defined by Decree No. 1679-N of the Government of the Republic of Armenia dated 21 December 2017 in accordance to the procedure established by the legislation of the Republic of Armenia and the Charter of the Fund, by entering into Land Transfer Agreement in accordance to Annex No.2.

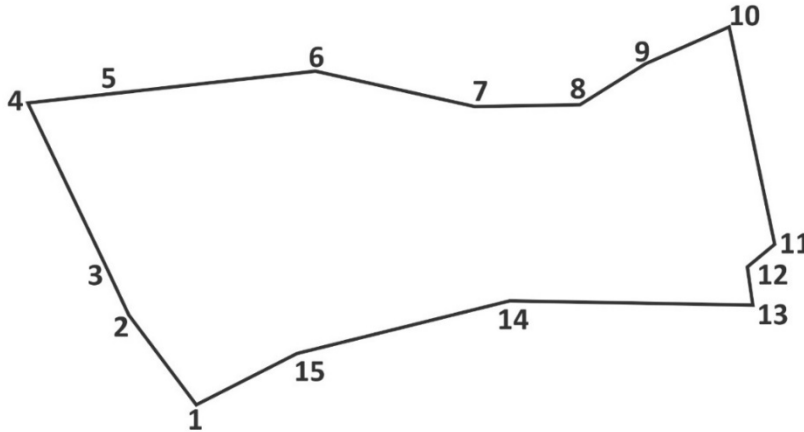
**PRIME MINISTER OF
THE REPUBLIC OF ARMENIA**

K. KARAPETYAN

26 February 2018

SCHEME

OF A LAND PLOT (97.3709 hectare) LOCATED IN THE ADMINISTRATIVE TERRITORY OF METS MASRIK COMMUNITY IN GEGHARKUNIK MARZ OF THE REPUBLIC OF ARMENIA BEING DONATED TO ARMENIA RENEWABLE RESOURCES AND ENERGY EFFICIENCY FUND



Point	Coordinates		Size(meter)
	Y	X	
1	8561119,8555	4454460,1224	276,19
2	8560954,3871	4454681,2610	116,43
3	8560904,1609	4454786,2978	447,71
4	8560711,0215	4455190,2052	198,90
5	8560908,6657	4455212,5150	400,43
6	8561402,3295	4455266,6119	400,43
7	8561793,5210	4455181,0899	255,07
8	8562048,5680	4455184,4239	191,91
9	8562210,3797	4455287,5968	219,63
10	8562411,7522	4455375,2692	535,49
11	8562520,1308	4454850,8569	88,37
12	8562452,1489	4454794,3969	93,79
13	8562466,5590	4454701,7211	587,51
14	8561879,1444	4454712,5803	536,60
15	8561358,0098	4454584,6775	268,76

**CHIEF OF GOVERNMENT STAFF
OF THE REPUBLIC OF ARMENIA**

V. STEPANYAN

Unofficial Translation

Annex No. 2
to RA Government Decree No.173-A
dated 15 February 2018

LAND TRANSFER AGREEMENT

Yerevan

___.___.201_

Armenia Renewable Resources and Energy Efficiency Fund, represented by
[_____._____] (hereinafter referred to as the Fund) from one side,

AND

[_____._____] , represented by [_____._____] (hereinafter referred to as the Company) from the
other side,

whereas,

the Solar Photovoltaic Plants' Construction Investment Program has been approved by the
Government of the Republic of Armenia by Protocol Decree No. 37 of session No. 53 dated 29
December 2018;

with a view of implementing the Investment Program, the Government of the Republic of
Armenia has adopted Decree No. [_____._____] on Giving Agreement to Donating a Land Plot to
Armenia Renewable Resources and Energy Efficiency Fund, dated [_____._____] , under which an
agreement has been given to donation of the land plot located in the administrative territory of
Mets Masrik Community of Gegharkunik Marz of the Republic of Armenia to the Fund;

by Paragraph 4 of the Decree of the Government of the Republic of Armenia, a proposal has
been made to the Fund to transfer the land plot to the company established for construction of
solar photovoltaic power plant by the entity that has been the successful bidder of procurement
procedure for "Masrik-1 Utility-Scale Solar Photovoltaic Project in Armenia" in accordance to
Decree No. 1679-N of the Government of the Republic of Armenia dated 21 December 21 2017;

given that as a result of procurement procedure for "Masrik-1 Utility-Scale Solar Photovoltaic
Project in Armenia" in accordance to Decree No. 1679-N of the Government of the Republic of

Armenia dated 21 December 2017 [_____] has been acknowledged the winner, and [_____] has been established for implementation of the Investment Program;

as well as, **governed by** Article 49 of the RA Land Code,

concluded this Land Transfer Agreement on the following:

1. Definitions

1.1. **Agreement** - this Land Transfer Agreement, its annexes, amendments and addendums.

1.2. **Fund** - Armenia Renewable Resources and Energy Efficiency Fund, its successors and assignees.

1.3. **Company** - [_____] , its successors and permitted assignees.

1.4. **Investment Program** - Solar Photovoltaic Plants' Construction Investment Program, approved by the Government of the Republic of Armenia by Protocol Decree No. 37 of session No. 53 dated 29 December 2016.

1.5. **Decree** - decree No [_____] on Giving Agreement to Donating a Land Plot to Armenia Renewable Resources and Energy Efficiency Fund, dated [_____].

1.6. **The Land** - land plot of 97.3709 ha in area and AMD [] in cadastral value located in the administrative territory of Mets Masrik Community of Gegharkunik Marz of the Republic of Armenia (Certificate of ownership No [_____] , as in the Annex 1 of this Agreement).

1.7. **Principal Property** - Principal property with the meaning of the RA Civil Code, the owner of which has been granted with limited right (rights) of use over other land plot or immovable property - servitude (voluntary and (or) compulsory).

1.8. **Commission** – Public Services Regulatory Commission of the Republic of Armenia, its successors.

1.9. **License** – means license for power plant construction and for electricity (capacity) production issued by decree of the Commission (in form of terms and conditions of the license approved by Commission decree No. [] dated [Day] [Month] [Year]).

1.10. **The Regulation** - the regulation on licensing in the energy sector and its annexes approved by decree No. 374-N dated 1 November 2013, including all subsequent amendments and additions.

2. The Subject of the Agreement

2.1. Under this Agreement the Fund transfers to the ownership of the Company the Land, and the Company undertakes to maintain the Land and use it exclusively with the purpose established under the Agreement and comply with the terms and conditions of the Agreement.

3. The Land

3.1. On [_____._____.2018] a land donation agreement has been concluded between Mets Masrik Community of Gegharkunik Marz of the Republic of Armenia and the Fund, based on which the Land has been donated to the Fund.

3.2. The Land is a Principal Property and in line with its transfer the right (rights) of limited use - the servitude established to the benefit of the Land is also transferred.

3.3. As of the moment of conclusion of this Agreement, the Land is owned by the Fund.

3.4. As of the moment of conclusion of this Agreement, the intended purpose of the Land is as for energy, transport, communication, utility infrastructure facilities and energy operational purpose.

4. The Purpose of Use of Land

4.1. The Company undertakes to use the Land exclusively for implementation of the Investment Program for construction and operation of solar photovoltaic power plant (plants) and in line with its intended purpose.

5. Transfer of the Land to the Company

5.1. The Fund, within [10 days] following conclusion of this Agreement and the Government Support Agreement between the Government of the Republic of Armenia and the Company to Design, Finance, Build, Own and Operate Masrik-1 Solar Photovoltaic (PV) Power Plant at Municipality of Mets Masrik in the Gegharkunik Marz (Region) Armenia (hereinafter referred to as GSA), shall transfer the Land to the Company.

5.2. Transfer of the Land to the Company shall be done based on a transfer act between the Fund and the Company.

5.3. The obligation of the Fund to transfer the Land to the Company is deemed as duly completed when the transfer act is signed by the authorised representatives of the Parties.

6. Limitations of the Rights over the Land

6.1. The Parties establish, that the Land is transferred to the Company for implementation of the Investment Program and in order to pursue the purpose the Fund hereby defines the following limitations to the ownership rights of the Company over the Land:

6.1.1. The Company undertakes not to sell or alienate in other way or transfer the Land to third parties, except for the cases when all of the rights and obligations of the Company established under this Agreement and the GSA are transferred to the benefit of the Company's subsidiaries or assignees in the manner prescribed under Article 10 of this Agreement. Furthermore, return

of the Land to the Fund in the manner prescribed under Article 7 of this Agreement is considered as an exception from the limitation established hereby.

6.1.2. The Company undertakes not to lease or transfer in any other way its rights to use and (or) possess the Land to third parties;

6.1.3. The Company undertakes to construct solar photovoltaic power plant (plants) with an installed capacity of [____] MW in a manner and period established under the License and GSA in accordance with the Investment Program, and operate them.

7. Termination of the Agreement

7.1. The Parties acknowledge that the events defined in this Article below are considered as material breaches of this Agreement and shall trigger the right of the Fund to terminate this Agreement unilaterally in extrajudicial manner and claim the Company to return the Land.

7.2. The following events shall be considered as material breach of this Agreement by the Company:

7.2.1. Occurrence of a ground under the GSA for returning the Land;

7.2.2. The Company in breach of Article 6.1.1 of this Agreement has sold or alienated in other way or transferred the Land to a third party, or has transferred all of its rights and obligations or a part of them to its successors or assignees and has not complied with requirements of Article 10 of this Agreement.

7.2.3. The period of implementation of activity for generation of electric energy (capacity) specified in the License has been expired and the Company has not filed a request in the prescribed manner on extension of the period of implementation of activity for generation or the Commission has adopted a decision on rejecting the presented request, provided that after expiration of the term of License there are no other legal grounds for implementation of activity for generation of electric energy (capacity), and the Company does not continue to produce solar energy based on the said legal grounds.

7.3. In the event of material breach of this Agreement by the Company, the Fund presents to the Company a notification on unilateral extrajudicial termination of the Agreement and on request of returning the Land to the Fund and determining a period for the return of Land which shall not be less than [6 months] from the moment such notice is received.

7.4. Transfer of the ownership rights of the Land to the Fund is performed based on a transfer act between the Fund and the Company. If at the moment of the return of the Land, there are detachable improvements made by the Company that are not dismantled or removed in other way from the Land, in line with transfer of the Land the ownership rights over the mentioned

detachable improvements shall also be transferred to the Fund unless otherwise agreed by the Parties.

7.5. The obligation of return of the Land to the Fund is considered as completed and the ownership right over the Land is transferred from the moment when the transfer act is signed by the authorised representatives of the Parties.

7.6. Irrespective of the grounds, based on which the Land is returned to the Fund, no compensation shall be made for the integral improvements of the Land and the detachable improvements of the Land made by the Company existent at the moment of return of the Land, unless otherwise agreed by the written agreement of Parties.

8. Amendment of the Agreement

8.1. All of the amendments to this Agreement shall be done by mutual agreement of the Parties which is subject to notary ratification.

9. Notices

9.1. Any notice or other communication to be made under this Agreement shall be made in a written form. Notice or communication made within the scope of this Agreement is deemed as duly performed, when it is sent to the address of the party specified below (date of notification is the date of receipt mentioned in the postal notice on receipt) or via electronic mail to the electronic address of the party specified below (date of delivery is the date when the mail has been sent to the electronic address of the party).

The contact details of the Parties are:

For the Fund:

Postal Address:

Electronic Address:

Contact person:

For the Company:

Postal Address:

Electronic Address:

Contact person:

10. Successors and Assignees

10.1. This Agreement binds and is effective to the benefit of the Parties’ successors and assignees.

10.2. The Company may assign or transfer in any other way its rights and obligations determined hereby only simultaneously with its rights and obligations under the GSA, in accordance to Article 20.2 of GSA.

10.3. If as a result of termination of the GSA the Government of the Republic of Armenia has executed its obligation or right to purchase the plant, built by the Company pursuant to the GSA, the Land is disposed of in the manner, prescribed for in the GSA.

10.4. The Fund may assign or transfer in any other way its rights and obligations defined by this Agreement or their part by at least 1 (one) day prior notification to the Company.

11. Other Provisions

11.1. All notices and other documents given or provided under this Agreement shall be in English.

11.2. The Agreement is governed by and interpreted in accordance to the material law of the Republic of Armenia, without regard to conflict of law regulations.

11.3. The expenses related to notary ratification and state registration of this Agreement shall be born by the Fund.

11.4. This Agreement is concluded in [Armenian and English. In case of inconsistency between Armenian and English texts the priority shall be given to the Armenian text.]

12. The Requisites and Signatures of the Parties

Armenia Renewable Resources and Energy Efficiency Fund

Address: [____]

E-mail: [____]

TIN: 02580459

Director:

The Company

Address: [____]

E-mail: [____]

TIN:

Director:

**CHIEF OF GOVERNMENT STAFF
OF THE REPUBLIC OF ARMENIA**

V. STEPANYAN

ՀՈՂԱՄԱՍԻ ՓՈԽԱՆՑՄԱՆ
ՊԱՅՄԱՆԱԳԻՐ

LAND TRANSFER AGREEMENT

քաղ. Երևան

Yerevan

Երկու հազար տասնութ թվականի
հուլիսի քսանչորսին

July twenty-fourth, two thousand and
eighteen

Հայաստանի վերականգնվող
էներգետիկայի և էներգախնայողության
հիմնադրամը (գրանցված 2005
թվականի նոյեմբերի 21-ին, գրանցման
համար՝ 222.160.00.548, հասցե՝
Հայաստանի Հանրապետություն,
Երևան 0001, պող. Սայաթ-Նովա 29/1)
(այսուհետ՝ հիմնադրամ), ի դեմս
տնօրեն Ռուբեն Գևորգյանի
(Հայաստանի Հանրապետության
քաղաքացի, անձնագիր՝ AK0679041,
տրված 2010 թվականի դեկտեմբերի
16-ին 011-ի կողմից, բնակության
հասցե՝ Հայաստանի
Հանրապետություն, Երևան, Մաշտոցի
45ա, բն. 75), որը գործում է
հիմնադրամի կանոնադրության հիման
վրա, մի կողմից,

Armenia Renewable Resources and
Energy Efficiency Fund (registered on
November 21, 2005, number of
registration 222.160.00.548, with a
registered address at 29/1 Sayat-Nova
Avenue, Yerevan 0001, Armenia)
(hereinafter referred to as **"the Fund"**),
represented by its Director Ruben
Gevorgyan (a citizen of the Republic
of Armenia, passport no.
AK0679041, issued on December 16,
2010, issued by 011, resident at 45a
Mashtots Avenue, Apt. 75, Yerevan,
Armenia), acting based on the charter
of the Fund, from one side,

ԵՎ

AND

"ԷֆՄրՎի Մասրիկ" փակ
բաժնետիրական ընկերությունը
(գրանցված 2018 թվականի հուլիսի 2-
ին, գրանցման համար՝ 58 . 120 .
1025778, հասցե՝ Հայաստանի
Հանրապետություն, Գեղարքունիքի
մարզ, Մեծ Մասրիկ համայնք, 1618, 1-
ին փողոց, 12-րդ նրբանցք, թիվ 2)
(այսուհետ՝ ընկերություն), ի դեմս
լիազորված անձ Տաթևիկ Դանիելյանի
(Հայաստանի Հանրապետության
քաղաքացի, անձնագիր՝ BA0506244,
տրված 2016 թվականի հունիսի 10-ին
010-ի կողմից, բնակության հասցե՝
Հայաստանի Հանրապետություն,
Երևան 0025, Չարենցի 52, բն. 1), որը

**"FRV Masrik" Closed Joint Stock
Company** (registered on July 2, 2018,
number of registration - 58 . 120 .
1025778, with a registered address at
1st Street, 12th Lane, No. 2, Mets
Masrik Community, 1618, Gegharkunik
Marz (Region), Armenia) (hereinafter
referred to as **"the Company"**),
represented by authorized
representative Tatevik Danielyan (a
citizen of the Republic of Armenia,
passport no. BA0506244, issued on
June 10, 2016, issued by 010, resident
at 52 Charents Str., Apt. 1, Yerevan
0025, Armenia), acting based on the
power of attorney issued by the

գործում է 2018 թվականի հուլիսի 18-ին ընկերության տնօրեն Նիկոլա, Ալան, Ժակ Ֆասքուելի կողմից տրված լիազորագրի հիման վրա, մյուս կողմից,

Company's General Director Nicolas, Alain, Jacques Fasquelle on July 18, 2018, from the other side,

հաշվի առնելով, որ՝

Հայաստանի Հանրապետության կառավարության կողմից 2016 թվականի դեկտեմբերի 29-ի նիստի N 53 արձանագրության 37-րդ կետով հավանություն է տրվել Արևային ֆոտովոլտային կայանների կառուցման ներդրումային ծրագրին:

whereas,

the Solar Photovoltaic Plants' Construction Investment Program has been approved by the Government of the Republic of Armenia by Protocol Decree No. 37 of session No. 53, dated December 29, 2016;

2018 թվականի փետրվարի 15-ին Հայաստանի Հանրապետության կառավարությունն ի կատարումն ներդրումային ծրագրի կայացրել է Հայաստանի վերականգնվող էներգետիկայի և էներգախնայողության հիմնադրամին հողամաս նվիրաբերելուն համաձայնություն տալու մասին N 173-Ա որոշումը, որով համաձայնություն է տրվել ՀՀ Գեղարքունիքի մարզի Մեծ Մասրիկի համայնքի վարչական տարածքում գտնվող հողամասը հիմնադրամին նվիրաբերելուն:

with a view to implementing the Investment Program, the Government of the Republic of Armenia has adopted Decree No. 173-A on Giving Agreement to Donating a Land Plot to Armenia Renewable Resources and Energy Efficiency Fund, dated February 15, 2018, under which an agreement has been given to donation of the land plot located in the administrative territory of Mets Masrik Community of Gegharkunik Marz of the Republic of Armenia to the Fund;

Հայաստանի Հանրապետության կառավարության որոշման 4-րդ կետով առաջարկ է ներկայացվել հիմնադրամին հողամասը փոխանցել Հայաստանի Հանրապետության կառավարության 2017 թվականի դեկտեմբերի 21-ի N 1679-Ն որոշմամբ սահմանված կարգով Հայաստանում արդյունաբերական մասշտաբի Մասրիկ-1 արևային ֆոտովոլտային ծրագրի գնման ընթացակարգի արդյունքում հաղթող ճանաչված անձի կողմից Արևային ֆոտովոլտային կայանի կառուցման ծրագրի իրականաց-

by Paragraph 4 of the Decree of the Government of the Republic of Armenia, a proposal has been made to the Fund to transfer the land plot to the company established for construction of solar photovoltaic power plant by the entity that has been the successful bidder of procurement procedure for "Masrik-1 Utility-Scale Solar Photovoltaic Project in Armenia" in accordance with Decree No. 1679-N of the Government of the Republic of Armenia, dated December 21, 2017;

անակիցների վավերապայմանները և ստորագրությունները.
Requisites and Signatures of the Parties

Հայաստանի վերականգնվող
էներգետիկայի և էներգախնայողության
հիմնադրամ

Armenia Renewable Resources and Energy
Efficiency Fund

Գտնվելու վայրը՝
Հայաստանի
Հանրապետություն, Երևան
0001, պող. Սայաթ-Նովա
29/1
Էլ. հասցեն՝ info@r2e2.am
ՀՎՀՀ 02580459
Տնօրեն՝ Ռուբեն Գևորգյան

Address: 29/1 Sayat-Nova
Avenue, Yerevan 0001,
Armenia
E-mail: info@r2e2.am
TIN: 02580459

Director: Ruben Gevorgyan







Ընկերություն

The Company

Գտնվելու վայրը՝
Հայաստանի
Հանրապետություն,
Գեղարքունիքի մարզ, Մեծ
Մասրիկ համայնք, 1618, 1-
ին փողոց, 12-րդ նրբանցք,
թիվ 2
Էլ. հասցեն՝
Nicolas.fasquelle@frv.com
ՀՎՀՀ 08421532

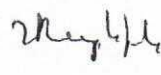
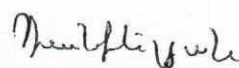
Address: 1st Street, 12th Lane,
No. 2, Mets Masrik
Community, 1618,
Gegharkunik Marz (Region),
Armenia
E-mail:
Nicolas.fasquelle@frv.com
TIN: 08421532

Լիազորված անձ՝ Տաթևիկ
Դանիելյան

Authorized Representative:
Tatevik Danielyan





տարական ակտի կոդ: 520-20180724-2-2794175
տարական ակտի գաղտնագիր: LAXRWD



ԵՐԿՈՒ ՀԱԶԱՐ ՏԱՄՆՈՒԹ ԹՎԱԿԱՆԻ ON THE TWENTY-FOURTH OF JULY OF
ՀՈՒՆԻՍԻ ՔՍԱՆՉՈՐՄԻՆ TWO THOUSAND AND EIGHTEEN

Սույն պայմանագիրը վավերացված է իմ՝
ԵՐԵՎԱՆ նոտարական տարածքի նոտար
ԱԼՄԻՐԱ ԴԱՆԻԵԼՅԱՆԻՍ կողմից:

The present agreement is verified by me,
ELMIRA DANIELYAN, the Notary Public
of Yerevan notarial territory of the Republic
of Armenia.

Կողմերը պայմանագիրը ստորագրեցին
իմ ներկայությամբ: Կողմերի
ինքնությունը, գործունակությունը, ինչպ
ես նաև անշարժ գույքի նկատմամբ
իրավունքը ստուգված են:

Parties signed the agreement in my
presence.

ՀՀ քաղաքացիական օրենսգրքի 135 հոդ
վածի համապատասխան, սույն պայման
ագրից ծագող իրավունքները ենթակա են
գրանցման անշարժ գույքի պետական
միասնական կադաստր
պետական կարող
հանրապետական կառավարման
համապատասխան մարմնի
ստորաբաժանումում:

The identity of individuals, signed the
agreement, as well as the property right was
verified and clarified.

In accordance with Article 135 of the Civil
Code of the Republic of Armenia, the rights
arising from this contract are subject to
registration in the relevant subdivision of
the Republican State Property
Administration, which maintains the State
Cadastre of Real Estate.

Գրանցված է գրանցամատյան թիվ՝
9347
-----ով

Registered in the Registry Book under №
9347

Գանձված է պետական տուրք հինգ
հազար ՀՀ դրամ և ծառայության վճար
տասնհինգ հազար ՀՀ դրամ՝ համաձայն
«Պետական տուրքի մասին» և
«Նոտարիատի մասին» և
Հանրապետության օրենսդրության

State duty five thousand AMD and service
fee fifteen thousand AMD was collected
under RA Laws "On State Duty" and "On
Notary"

Նոտար



Notary Public: Elmira Danielyan



Վճարող Remitter	Գումար և արժույթ Currency & Amount	Գումարը բառերով Amount in words	
<<ԷՖԱՐՎԻ ՄԱՍԻՆԿ>> ՓԲԸ	ՀՀԳ 80,000,000.00	նրսումն միլիոն և զրո	
Նախընտրած լեզու Preferred language	Հայերեն	Բանկի կոդ Bank Code	217
Վճարողի հաշվի համար Remitter's account number	Միջնորդավճար Commission fee	Վճարողի Բանկ Remitter's Bank	Վճարողի ՀՎՀՀ Remitter's TPN
003-194248-001	ՀՀԴ 5000	Էյչ-Էս-Բի-Սի Բանկ Հայաստան ՓԲԸ HSBC Bank Armenia CJSC	08421532
Շահառու Beneficiary	Շահառուի Բանկ Beneficiary Bank	Շահառուի հաշվի համարը Beneficiary account number	Շահառուի ՀՈՀ Beneficiary PSN
Կենտրոնական գանձապետարան	ՀՀԿԿ Կենտրոնական գանձապետարան	900155111108	08800825
Շահառուի ՀՈՀ Beneficiary PSN			
08800825			
<p>Սույն վճարարկում ներկայացված է անհատի կամ օրգանիզմի կողմից հանձնված գումարի մասին տեղեկություններ, որոնք համապատասխանում են հետևյալ պայմաններին:</p> <p>Սույն վճարարկում ներկայացված է անհատի կամ օրգանիզմի կողմից հանձնված գումարի մասին տեղեկություններ, որոնք համապատասխանում են հետևյալ պայմաններին:</p> <p>I hereby confirm and agree that the transaction information, including the purpose and description of the transaction, the beneficiary's details, shall be entered and recorded in the payment documents in English and in English letters or in Armenian or in Russian but in English letters.</p>		<p>Վճարման հանձնարարական փաթեթի մասին տեղեկություններ, ներառյալ շահառուի անունը, պետք է ներկայացվեն լեզուներով և անգլերեն լեզվով:</p> <p>Information regarding the transaction, including the purpose and description of the transaction, the beneficiary's details, shall be entered and recorded in the payment documents in English and in English letters or in Armenian or in Russian but in English letters.</p>	
Գործարքի նկարագրի Payment details	Վճարման նպատակը Purpose of payment	Վճարման հանձնարարական փաթեթի մասին տեղեկություններ, ներառյալ շահառուի անունը, պետք է ներկայացվեն լեզուներով և անգլերեն լեզվով:	
Տեղական տարածքների զարգացման վճար	Վճարման նպատակը Purpose of payment	Վճարման հանձնարարական փաթեթի մասին տեղեկություններ, ներառյալ շահառուի անունը, պետք է ներկայացվեն լեզուներով և անգլերեն լեզվով:	
Վ.Տ.	Վճարողի ստորագրությունը Remitter's signature	Վճարման հանձնարարական փաթեթի մասին տեղեկություններ, ներառյալ շահառուի անունը, պետք է ներկայացվեն լեզուներով և անգլերեն լեզվով:	
Seal		Վճարման հանձնարարական փաթեթի մասին տեղեկություններ, ներառյալ շահառուի անունը, պետք է ներկայացվեն լեզուներով և անգլերեն լեզվով:	

Սույն վճարարկում ներկայացված է անհատի կամ օրգանիզմի կողմից հանձնված գումարի մասին տեղեկություններ, որոնք համապատասխանում են հետևյալ պայմաններին:

Սույն վճարարկում ներկայացված է անհատի կամ օրգանիզմի կողմից հանձնված գումարի մասին տեղեկություններ, որոնք համապատասխանում են հետևյալ պայմաններին:

I hereby confirm and agree that the transaction information, including the purpose and description of the transaction, the beneficiary's details, shall be entered and recorded in the payment documents in English and in English letters or in Armenian or in Russian but in English letters.

18 JUL 2018

USUSՎԱՍԵՒ RECEIVED

Մուհամեդ Շեքիթ

Delivered by Mokamed Chekit

Time 11:45

18 JUL 2018

Signature verified

HSBC Bank Armenia cjsc MYT Branch