

Lydian International Ltd – Geoteam CJSC

**Amulsar Gold Mining Project
(Armenia)**

Land Access and Livelihood Restoration Plan

Addendum



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Date:	14 March, 2016
Version:	2

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Acronyms:

BRSF	Barren Rock Storage Facility
EBRD	European Bank for Reconstruction and Development
ESIA	Environmental and Social Impact Assessment
IFC	International Finance Corporation
LALRP	Land Acquisition and Livelihood Restoration Plan
PR	Performance Requirement (EBRD)
PS	Performance Standard (IFC)
VE	Value Engineering

1. INTRODUCTION – SCOPE OF THIS DOCUMENT

1. This document is the Addendum to the Land Access and Livelihood Restoration Plan (“LALRP”) prepared for the Amulsar Gold Mining project in Armenia (the “Project”) for Lydian International (“Lydian”) and its fully owned Armenian subsidiary Geoteam CJSC (“Geoteam”). It was prepared by Geoteam with support from an international land acquisition and resettlement consultant (Frederic Giovannetti) and is fully endorsed by Lydian’s and Geoteam’s management for disclosure and implementation.
2. The LALRP, which was publically disclosed in April 2015, was based on a preliminary design of the Project. In 2015 Lydian, with specialist consultants, undertook a “Value Engineering” (VE) exercise, which aimed at optimising the Project design and reducing its cost. This resulted in some relatively limited changes to the Project layout, thereby requiring an update to the Project Environmental and Social Impact Assessment (ESIA) and to the LALRP that had previously been disclosed to the general public and consulted upon with stakeholders.
3. The scope and purpose of this document are the following:
 - Reflect changes to the Amulsar Project layout that resulted from the VE exercise carried out in 2015;
 - Summarise related impacts to land (including agricultural and grazing) and associated impacts to livelihoods (including farmers and herders);
 - Summarise associated mitigation and compensation measures, based on the principles in the initial LALRP.
4. As denoted by its name (“Addendum”), this document complements the existing LALRP and must be read in conjunction therewith. The LALRP provides all key principles, strategies, and processes pertaining to land acquisition and livelihood restoration for the Amulsar Project, particularly the following, which are not repeated in this Addendum, except where additions are warranted by categories of impacts that were not addressed in the initial LALRP:
 - Legal and institutional background, including the comparison of Armenian legislation with EBRD and IFC requirements;
 - General geographic and socio-economic background;
 - Land acquisition and compensation strategy, process, and procedures, including, but not limited to, general entitlement matrix applicable to the Project in its entirety, valuation methodology, and payment procedures;
 - General approach to livelihood restoration;
 - Monitoring and evaluation consistent with the approaches and indicators reflected in the LALRP;
 - Implementation principles.
5. The following figure shows the final design of the Project based on the Value Engineering exercise. A similar figure showing the design of the Project upon which the initial LALRP was based is presented in the LALRP (Figure 3 of the LALRP). Comparison shows that the changes are relatively minor in scope. The general principles underlying the project layout remain the same, as the location of key infrastructure has been finetuned and optimised rather than changed in any significant manner. As a result, land impacts remain of the same general magnitude, and have even been reduced in some cases against the original plan (herders).
6. The LALRP addressed Phases 1 to 3 of the land acquisition exercise mainly pertaining to the key industrial sites of the Project (including heap leach facilities referred to as “Site 28”). This Addendum mainly addresses “Site 14” (the 5.3 km long conveyor from the mine to Site 28) as well as some limited supplemental impacts generated by the VE exercise, which mainly interest high altitude land located close to the mine itself on the Amulsar mountain. These will together form “Phase 4” of the land acquisition exercise.

Figure 1. Revised Project Design Further to the VE Exercise

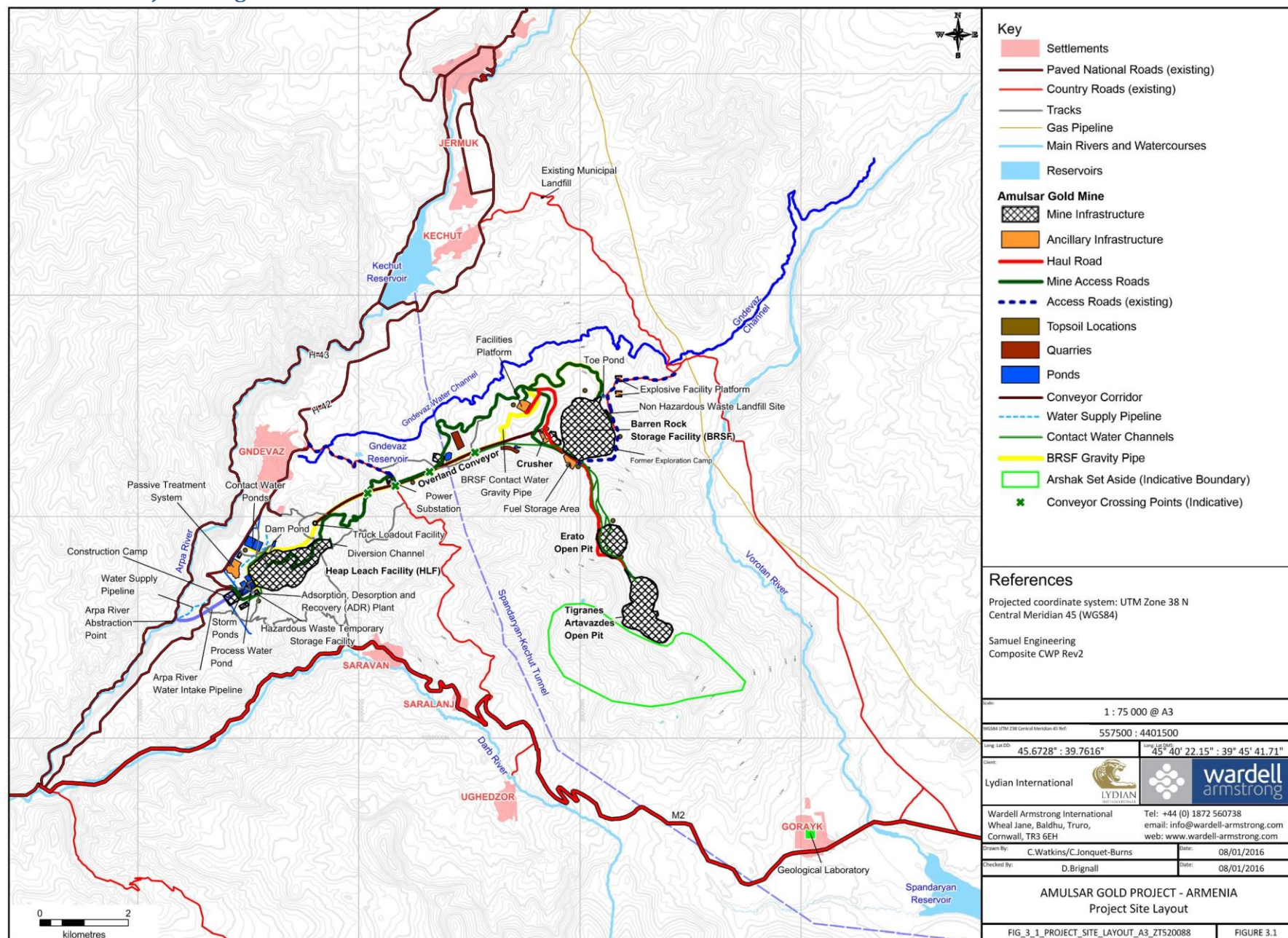
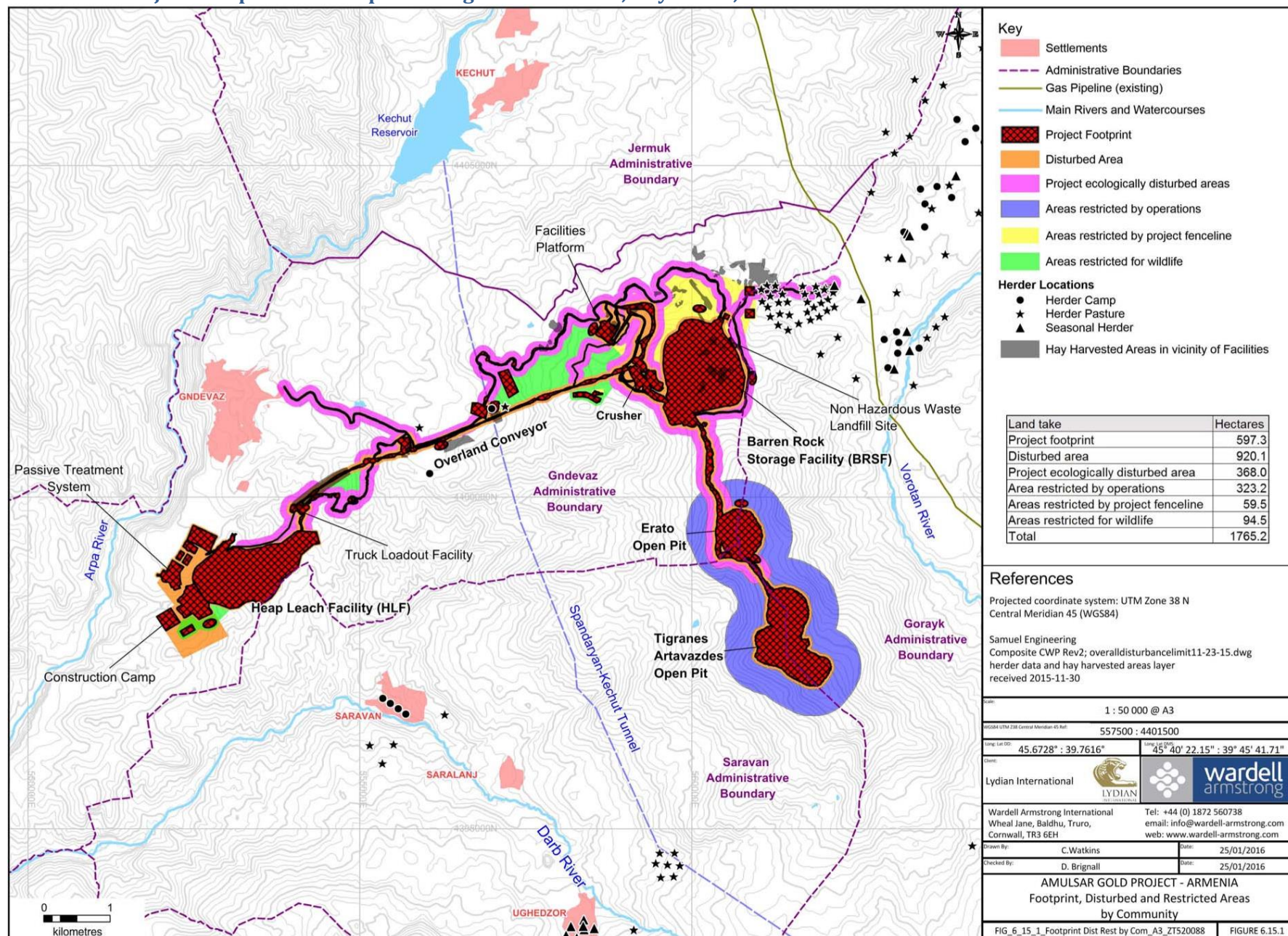


Figure 2. Revised Project Footprint with Impacts to Agricultural Land, Hay Fields, and Herders

2. ADDITIONAL PROJECT IMPACTS COVERED IN THIS ADDENDUM

7. Additional land that will be required for construction and operation of the Amulsar Project is located in the communities of Gndevaz, Saravan and Gorayk. Land that is affected in the communities of Saravan and Gorayk is State and Municipal land (generally high altitude pasture land), whereas land that is affected in Gndevaz also includes private land in addition to State and Municipal land (see administrative boundaries between the three communities in Figure 2).
8. Key additional impacts covered in this Addendum belong in the following four categories:
 - Some limited agricultural land is affected by the overland conveyor (see Figure 1 above);
 - A number of municipal or State land plots are affected (mainly by the so-called “Barren Rock Storage Facility” or BRSF) where hay is informally gathered by residents of Gndevaz;
 - Seasonal herders are affected as mining infrastructure will affect high altitude grazing land;
 - There will be severance impacts to the daily movements of cattle as a result of the installation of a 5.3 km long conveyor from the crusher to the heap leach facility.
9. As far as the conveyor is concerned, the Project’s land access strategy has changed: the initial plan, as reflected in the LALRP, was to use associated land, based on a rental agreement. However, further to consultation with stakeholders, it appeared more appropriate to acquire these lands. This Addendum reflects this modified strategy.
10. Additional land acquisition covered in this Addendum entails no physical displacement.
11. The following table shows an overview of impacts covered in the initial phases of land acquisition and impacts covered in this Addendum:

Table 1. Overview of Additional Land Needs and Associated Impacts Covered in this Addendum

Category of affected assets	Acquired to-date in phases 1 to 3 of the land acquisition exercise (main LALRP)			Covered in this Addendum		
	Number of affected land plots	Surface of affected land plots (ha)	Number of affected households	Number of affected land plots	Surface of affected land plots (ha)	Number of affected households
State land	N/A	2345.9	See herders	0	0	See herders
Municipal land	N/A	1522.0	See herders	0	0	See herders
Private land Phases 1-3	238	138.9	150	14	0	0 ¹
Private land Phase 4	0	0	0	22	13	20
Seasonal Herders	N/A	See State and Municipal land	70	N/A	N/A	40 ²

12. Annex 1 provides a list of affected agricultural plots, Annex 2 a list of affected hay users, and Annex 3 a list of surveyed herders.

¹ The total number of households affected by acquisition of private land in the heap leach area is 7, all of whom were affected previously, so there are no “new” landowners in regards of this area (see paragraph 21 below).

² 40 is the total final number of affected seasonal herders. A total of 70 herders had been estimated to be affected per the previous design.

3. MITIGATIONS AND COMPENSATION

3.1 AGRICULTURAL LAND

3.1.1 Current Status of Land Acquisition

13. Previous land acquisition was divided into three phases per a phasing of construction priorities. Land acquisition started in early 2015 and has continued since, with phases 1 and 2 implemented in the first half of 2015, and Phase 3 to be implemented in early spring 2016.
14. 238 land plots had been identified for acquisition in Phases 1 to 2. 234 of these land plots have already been acquired from 150 affected households following a negotiated process described in the LALRP, with full compensation (100%) paid to the affected landowner in two instalments of 10 and 90%.
15. 4 land plots remain to be acquired due to various issues (2 problematic paper work issues; 1 legal issue; 1 unwilling landowner). Per principles in the LALRP, these 4 land plots are being expropriated (related legal proceedings were triggered in the fourth quarter of 2015).

Table 2. Status of Land Acquisition as of February, 2016

Item/per plot	Number	Percentage
Total land plots to be acquired	238	100%
Number of affected households	150	
Negotiations undertaken	238	100%
Final agreements signed	234	98%
Title transferred to Geoteam	234	98%
Full compensation payments made (initial 10% + final 90%)	234	98%
Remaining plots to finalize agreements and compensation payments (on-going expropriation proceedings)	4	2%

3.1.2 Additional Acquisition of Agricultural Land

16. The total width of the land corridor that needs to be acquired for installation and operation of the conveyor (including a maintenance track and a safety buffer) is 30 metres.
17. A total of 22 cadastral plots need to be additionally acquired for the conveyor and are therefore covered in this addendum. Of these, 19 have already been identified as privately held at the time of writing this Addendum, while another 3 are still in the process of identification. The total affected surface area is 13 ha.
18. After mine closure, associated land will be returned to the landowners or to the community according to principles described in the LALRP. It is anticipated that after mine closure these lands can be reclaimed and used for grazing and hay.
19. The affected lands are categorised in the cadastre as arable. In spite of this categorisation, they are not cultivated and are used as grazing land or hay land (natural grass, no planted fodder crop). There is no irrigation water supply. There are no orchards, trees or gardens, due to the relatively high altitude and the presence in Gndevaz of land better suited for such needs. There are no fences separating private land plots, nor is there any residential or other structures. This area is widely used as pasture, with cattle being moved from higher elevations in the spring and summer to lower elevations in the fall, hence the need to provide safe crossings, which is addressed in Section 3.4 of this Addendum.
20. The following photographs present a general view of this area.

Figure 3. General Aspect of Land Plots Affected by the Conveyor (“Site 14”)

21. Another 14 plots (15.7 hectares in total) need to be additionally acquired to accommodate slight changes in the Project layout in the area of the heap leach facility (“Site 28”). These plots are held by 7 landowners: all of these landowners have been affected before by previous phases of land acquisition (Phase 1-2).
22. Annex 4 presents a socio-economic overview of affected landowners, based on a livelihood survey carried out in Q4, 2015 using the same questionnaire as had been used previously for the preparation of the LALRP.

3.1.3 Land Access Approach

23. The initial concept as provided in the LALRP was that land plots under the conveyor would be accessed on a temporary basis by Geoteam, with relevant compensation being paid to the landowner in the form of a rent or an easement. Further legal work and consultation with landowners have indicated that given the relatively long period of occupation (about 15 years), full acquisition was preferable from the point of view of both the Company and the affected landowners. Geoteam will therefore acquire these land plots and use the approach outlined in the LALRP (negotiated settlement based on a compensation offer, with expropriation used only as a last resort after all negotiation avenues have been exhausted).
24. A preliminary valuation of affected lands and crops was carried out in early November 2015 by the same experienced local expert that valued land plots acquired in Phases 1 to 2, under the oversight of an international land acquisition consultant. The same methodology described in the LALRP³ was applied. It was verified that rates for hay, pasture or annual crops have not changed since 2014, when Phases 1 to 2 plots were valued, as neither Armenian macro-economic nor local market conditions have changed since. Both a summary and detailed description of these plots are available.

3.1.4 Orphan Land

25. Where a plot that is wider than the conveyor buffer is acquired, the acquisition by the Project of the part of this plot located in the conveyor buffer may leave sections of land on either side that will not be required for the Project and would normally not be compensated. Agricultural activities on these sections of land could normally be continued. There will be cases, however, where the remaining part will be too small to make cultivation economically worthwhile.

³ LALRP Section 5.3: Valuation.

26. Orphan land is such land that is not directly needed for the Project (it is not part of the Project direct footprint) but becomes uneconomic to the landowner or land user because of Project activities. Examples include:
 - Plots that are bisected by a linear facility (e.g. the conveyor) such that farming on the remainder on either side of the linear corridor becomes impossible or uneconomic (e.g. because machinery cannot turn any longer), either permanently, or temporarily during the construction;
 - Parts of plots that although not directly affected, become severed from access roads or irrigation or drainage infrastructure as a result of Project activities, such that access or cultivation are no longer possible, either permanently, or temporarily during the construction.
27. Based on initial data on locations of affected private plots along the conveyor, there might be several orphaned plots of land. When negotiations with land owners start, these cases will be verified one by one. Similarly, access to the remaining land across the construction corridor may be restricted making cultivation during construction impractical or uneconomic. If small remaining parts are made uneconomic as a result of the purchase or occupation, they may be eligible to compensation as “orphan land” subject to review.
28. Whether a parcel qualifies as “orphan land” will be reviewed on a case-by-case basis based on a request lodged by the current landowner. The following criteria will be considered in this review:
 - Size, dimensions and shape of the “orphaned” part of the plot – particularly with consideration of the agricultural equipment typically used (tractor, combined harvester) and its ability to access the orphaned part and to turn normally given the dimensions and shape of the plot;
 - Access restrictions and whether these will only last for the duration of the construction period or are permanent;
 - Restrictions to or interruption of irrigation or drainage during the construction period.
 - Disruptions to co-operative arrangements between landowners (e.g. hiring of tractors and other agricultural equipment), which result in uneconomic use of land for the remaining land right holders.
29. This review is conducted in the field by a Land Acquisition team member and includes a joint visit of the plot with the claimant. It is sanctioned by a brief report providing the conclusion (claim justified or not), its justification based on the criteria above, and the calculation of compensation due in regards to the orphan part (land and crops) based on rates in the GLAC. The report is submitted to the LA Manager who reviews and approves it for further finalisation of the compensation agreement with the claimant.

3.2 INFORMAL HAY COLLECTION BY LOCAL RESIDENTS IN HIGH ALTITUDE PROJECT-AFFECTED AREA

3.2.1 Anticipated Impacts

30. A land use survey was conducted in November 2015 to identify the actual use of land in high altitude Project infrastructure, which includes (see Figure 2) the pits and their buffer, the Barren Rock Storage facility (BRSF), and the platforms for mine infrastructure. Some plots were then identified as having been used in the past for hay collection by Gndevaz and Gorayk residents, and this information was further verified with the two village mayors.
31. Key outcomes of this survey and subsequent consultation are the following:
 - Project infrastructure in high altitude areas will affect a combination of municipal and State land belonging to Gndevaz and Gorayk communities. There are no private land plots in this area.
 - There are no formal lease agreements granted by either municipality for land use (for hay, pasture, or other usage).

- However, this land has been used in the past for hay collection. The Gndevaz Mayor has also reported that the area had not been used for hay in the past 4-5 years given the relatively long distance from the village (compared to other areas that are much easier to access, such as the lower area that is affected by the conveyor at “Site 14”) and the expenses related to transport for hay collection.
- 18 informal users of hay land in the BRSF and surrounding areas were identified (See Annex 2: list of hay users). All of them are from Gndevaz.
- Initial discussions were held with the Gndevaz Mayor on alternative hay field areas for these informal users: he confirmed the availability of such lands within Gndevaz municipality area.

3.2.2 Land Access and Impact Mitigation Approach

32. From a legal perspective, State and municipal lands are accessed by Geoteam based on rental agreements further to an auction process. Most of such State and municipal land is already under rental by Geoteam, and some more will have to be rented according to the same process as before. Incidentally, these rental monies already provide a significant part of the yearly budgetary resources of these two municipalities.
33. As use for hay collection by individual households from Gndevaz is informal only, there will be no cash compensation. The mitigation approach will be to discuss access to alternative locations with the authorities and the affected group, and to facilitate such access if warranted.
34. Follow-up meetings are planned with the Gndevaz Mayor to finalise the identification of alternative locations for the hay users, and further with informal land users in Gndevaz to discuss alternative lands for their use (planned in April 2016). As summarized in the LALRP, the Company will facilitate the lease agreement process with local administration and cover related costs (lease costs consistent with local rates).

3.3 SEASONAL HERDERS

3.3.1 Overview

35. Herders originating from various communities rent high altitude grazing land from municipal administrators, with much of the potentially affected seasonal herding activities taking place on land administered by Gorayk. This is a transhumant summer activity, with herders and cattle present in the area from May to October, in average. Most such herders originate from a distant village called Xndzoresk (which is not otherwise affected by the Project), some from Gorayk and adjacent area.
36. Lease agreements are typically formalised between the local authority and the herder, and a minimal rental fee is paid into the community budget by the herder. Herders establish tiny camps using caravans, ship containers or tents, where they spend the night and gather cattle for milking and sometimes butter and cheese preparation. Access to land and water and proximity to existing milk collection services and herders permanent houses are the key factors that herders consider when locating these camps.
37. Focus group discussions with herders conducted in July 2014 and 2015 highlighted the range of livelihood activities undertaken by seasonal herders while they are in the area. For example, the herders originating from Xndzoresk reported the following indicative productivity and income:
 - Between 15-16 herders, they have about 5-600 head of cattle, comprising a mixture of dairy and beef cattle;
 - Up to 30-40 kilos of cheese are produced in the camp during the summer season;
 - Up to 6 trucks collect milk from the herders daily (morning and evening). It is estimated that between 2,000 and 3,000 litres of fresh milk are collected daily. At AMD 140 per litre, this generates an estimated gross income of about AMD 300.000 per day (about USD 625 or about USD 40 per herder per day during the season: as of fall 2014). These numbers however, are lower as of late fall 2015: AMD 105-110 per litre that translates into AMD 260.000 per day (about USD 530 or about USD 32-33 per herder during the grazing season – 5-6 months).

3.3.2 Anticipated Impacts

38. Based on the final Project footprint, about 40 seasonal herders will be impacted and it is anticipated that they will have to move to alternative areas, either because grazing land will be taken for Project infrastructure or because of disruption caused by operations. The move will require to establish new camps, or to move existing camps to the new area.
39. There are no formal structures constructed or used by herders as temporary camps, but most herders use abandoned structures or mobile structures such as old buses or containers (see photographs below), which are movable to a new location.

Figure 4. Seasonal Herders in High Altitude State Land in the BRSF Area



Group of herders from Xndzoresk in a focus group interview carried out in 2015 for the ESIA



During the summer, herders' families, including small children, are present in the summer pasture



Cattle being led to the pasture by a herder riding a horse



Typical herder shelter



Animal shelter and corral, and milk storage containers



Corral and herder shelter

40. No municipal services are provided to the herder camps (i.e. no electricity, sewerage, waste collection, water distribution etc). Water is caught from mountain springs and kept in tanks for use by animals and humans.

3.3.3 Consultation with Seasonal Herders

41. Herders have been consulted with in several occasions since 2012. The following table shows recent consultation events held with herders, and the following paragraph summarises related outcomes of these consultations.

Table 3. Recent Consultation with Seasonal Herders

Date	Target Group	Items Discussed
July, 2014	BRSF herders	Focus group discussions with 15 herders at the site.
July, 2015	BRSF herders	Focus group discussions with 16-18 herders at the site.
November, 2015	BRSF and wider area herders	Meeting in the presence of the mayors of Gorayk and Xndzoresk. Discussion of alternative areas accessible to herders. Herders expressed their concerns about the need to re-establish water supplies. It was agreed to carry out a joint visit to alternative pasture areas in early spring 2016 (upon snow melt). A follow on site visit is planned in late March-mid April, once the snow is melted in this area.

42. In these consultations and through local authorities, herders have indicated their preference to stay in the same general area and have also mentioned that they were happy for the Project to proceed as they expected only minimal inconvenience even if a move was required, as similar grazing land is considered abundant.
43. During focus group discussions held in July 2014, herders from Xndzoresk, who are based to the east of the BRSF during summer months, indicated that it takes three days for them to move their cattle from their village to this area at the beginning of summer (May each year), and they would like to move to land closer to home, using pasture areas which they consider not to be used in closer proximity to their village. They have been using the Vorotan valley for generations because the Vorotan stays green longer than other areas in south-eastern Armenia and thus ensures a longer grazing season for cattle.

3.3.4 Mitigation and Compensation Approach

44. The mitigation and compensation approach will therefore be the following:
- Seasonal herders will be offered alternative areas with water and access (in coordination with Gorayk Mayor), with rental costs consistent with local rates;
 - Spring catchments will be built where needed to open up new pasture areas that are currently not used because of the lack of water; assessments and plans in this regard will be finalized in spring 2016; initial assessment has been done in coordination with Gorayk Mayor and a local entity. Company will organize a follow on assessment in late March-mid April with engineers for accurate cost estimate.
 - New road access allowing reasonable access to the milk collection system will be provided where warranted, to be completed by May 2016;
 - A disturbance allowance will be provided to the seasonal herders for the moving of camps, in an amount to be consulted upon with herders (flat rate for each camp to be moved);
 - Support in securing formal leases between Gorayk municipality and herders will be provided as needed;
 - Herders will be eligible to benefit from the Livelihood Restoration Plan (particularly the artificial insemination programme).
45. The Company will monitor herders for three years to check that all affected herders, including those without a lease, have been able to identify and exploit new pasture areas with minimal inconvenience. A yearly survey of all herders will be conducted (per principles in the LALRP). If

further negative impacts are identified, additional support measures will be identified in interaction with local mayors and implemented to ensure that affected herders can secure proper access to adequate and affordable replacement pasture land. The Company will report on progress and monitoring of this issue in its periodic monitoring reports.

3.4 DAILY HERDERS

46. “Daily” herders from Gndevaz are using land in the conveyor area (cattle are taken to that area in the morning, and taken back to the village in the evenings). This takes place in the warm season only, when grass is available. The total width of the restricted strip of land related to the construction and operations of the conveyor, including the width of the facility itself and a buffer on both sides, will be 30 metres, with a total length of about 5.3 km. The footprint is relatively minor given the wide space available for grazing. While animals will be able to continue to use this area without significant impacts to the availability of grazing land, the conveyor will form an obstacle to their movements.
47. To avoid any severance effect on daily herders and their animals, the Company has incorporated in the design of the conveyor the establishment of three crossings to ensure the safe movement of herders and livestock to cross the conveyor and use lands on the other side. One of the 3 crossings is designed to accommodate vehicles and tractors.
48. The location of crossings was identified in consultation and coordination with the Gndevaz Mayor. Further consultation was held with Gndevaz herders on crossings and access (December 9, 2015) and information was provided on the crossings and their approximate locations.

3.5 SUMMARY ENTITLEMENT MATRIX

49. Based on the above, the table below presents a summary entitlement matrix for each of the categories of impact.

Table 4. Summary Entitlement Matrix

Category	Description of impact	Number of affected households	Mitigation / Compensation
Agricultural land	22 private plots affected in the conveyor area, categorised as agricultural but mainly used for hay collection and grazing. Another 14 agricultural plots affected in Site 28 (heap leach facility).	20 (3 new, 17 covered in the main LALRP) 7 (all covered in the main LALRP)	Compensation of land and crops per rates and process in the LALRP
Informal Hay Collection by Local Residents in High Altitude Project-Affected Area	18 informal users from Gndevaz have used in the past a high altitude area of municipal and State land located close to the BSRF that will be affected by Project land take.	18	Identification and follow on consultation on access to alternative locations, to be carried out with the authorities and the affected group. Facilitation of access to such areas once identified.

Category	Description of impact	Number of affected households	Mitigation / Compensation
Seasonal herders	Acquisition by Project of grazing land used by transhumant herders coming seasonally (summer) to the area to graze their cattle	40	<ul style="list-style-type: none"> ○ Identification of alternative grazing areas and facilitation of access thereto. ○ Provision of water (spring catchments) to any new grazing areas where water is not readily available. ○ Road allowing reasonable access to the milk collection system as needed. ○ Disturbance allowance to allow for the moving of camps, to be discussed with herders). ○ Support in securing formal leases with Gorayk municipality. ○ Benefit associated to the Livelihood Restoration Plan (particularly artificial insemination programme).
Daily herders	Severance: the conveyor will constitute an obstacle to daily movement of cattle	About 90	3 crossings through the conveyor to mitigate obstacle effect and enable grazing on both sides of the conveyor.

4. PROCESSES AND IMPLEMENTATION

4.1 NEGOTIATION AND COMPENSATION PROCESS

4.1.1 Overview

50. The negotiation and compensation process is described in the LALRP and will be applied with minor variations for mitigations and compensation provided in this Addendum. Key points and specific variations introduced by the Addendum are described here as a brief summary, with full details available in the LALRP.

4.1.2 Valuation

51. Each plot is valued on a case-by-case basis by a professional valuer. Crops are valued separately by a professional agronomist. Rates presented in the LALRP are still applicable in 2016 as there have been no significant changes in market conditions in Armenia in general and in the area.

4.1.3 Compensation Offer and Negotiation Process

52. Compensation offers will be prepared for each affected property based on the inventory and the valuation described above. They are confidential. Their delivery to the affected landowner triggers a stage negotiated process described below.
53. A three-visit process is implemented:
- In the first visit, the landowner is invited to sign a Measurement and Count Sheet reflecting the measurements and counts of done in the land parcel, and to notify Geoteam of the presence of any land users; contact information for co-owners is gathered.
 - In the second visit, the team visits each affected landowner or land user at their home or requests them to come to the field office, checks identification documents, explains the process again, informs them of the grievance mechanism, presents the compensation offer and agreement (prepared beforehand), and leaves the compensation offer with the affected person for her/his consideration.
 - In the third visit, to take place no earlier than 2 weeks and no later than 6 weeks after the second one, the team visits each affected landowner again and seeks to obtain their signature.
54. Legal agreements are further submitted to each individual landowner and landuser. Most of these agreements are simple sale-purchase agreements.

4.1.4 Payment

55. Payment will be made in one instalment of 100% of the amount in the agreement. Geoteam will withhold and pay applicable taxes. Payments of leases to Municipal budgets are done on a yearly basis.

4.1.5 Registration

56. Once the transaction is signed by both parties and notarised, the Company addresses the transaction dossier to the Cadastral office for registration and pays associated fees.

4.1.6 Expropriation

57. While it is anticipated that expropriation will normally not be used, it may be triggered as a last resort in cases where all reasonable avenues to reach a negotiated settlement have been exhausted. This may apply, for example, to the following situations:
- Absentee landowners or co-owners not providing a Power of Attorney, or whose whereabouts are unknown;
 - Landowners refusing engagement over a reasonable negotiated settlement after multiple visits.

58. The reasons why expropriation has to be used will be thoroughly documented (notarised minutes of disagreement in case of a refusal, and documentation of efforts to locate and contact absentee landowners).

4.2 IMPLEMENTATION SCHEDULE

59. The figure below shows the implementation schedule pertaining to activities described in this Addendum.

Figure 5. Implementation Schedule

#	Timeframe Activity	November 2015				December 2015				Jan. 2016				February				March					April			
		02/11/15	09/11/15	16/11/15	23/11/15	01/12/15	07/12/15	14/12/15	21/12/15	04/01/16	11/01/16	18/01/16	25/01/16	01/02/16	08/02/16	15/02/16	22/02/16	01/03/16	07/03/16	14/03/16	21/03/16	28/03/16	04/04/16	11/04/16	18/04/16	25/04/16
1	Check measurements and counts with landowners																									
2	Finalize the list of landowners and land users																									
3	Prepare compensation templates																									
4	LALRP Addendum disclosure; collect feedback if applicable																									
5	I visit: submit I batch of compensation templates to landowners (20x2)															X	X									
6	II visit: signing of compensation templates by landowners																X	X								
7	III visit: agreement preparation																		X	X	X					
8	IV visit: Sales agreement signing, payment of 100% to first batch (20x2)																			X	X	X	X			
9	Paper work on title transfer of the acquired land																									
10	Compiling of landowner announcements (formality, to confirm no claim on acquired lands)																									
11	Processing of difficult cases (including expropriation from Phase 1)																									
12	Expropriation follow on: 3 cases from Phase 1 and 2; new ones if applicable																									
13	Consultations &/or meetings with herders (seasonal, daily)																									
14	Livelihood restoration activities																									
15	Monitoring & evaluation																									

Annex 1 – List of Affected Agricultural Plots in the Conveyor Area

#	Cadastral Number	Land category	Names of landowners
1	10-016-0203-0008	arable without irrigation	Պավլիկ Ալեքսանյան Արտավազդի, Ելիզա Ալեքսանյան Մկրտչի, Հրանտ Ալեքսանյան Պավլիկի, Հերմինե Ալեքսանյան Համերոսի
2	10-016-0211-0022	arable without irrigation	Վարդան Եղյան Ջորիկի, Մագթաղ Եղիյան Ջորիկի, Վանուհի Եղոյան Ջորիկի, Գարիկ Եղիյան Վարդանի, Գուրգեն Եղիյան Վարդանի
3	10-016-0203-0038	arable without irrigation	Կարապետ Աղաբեկյան Թադևոսի
4	10-016-0211-0024	hay	Սաթիկ Հարությունյան
5	10-016-0203-0009	arable without irrigation	Ֆլորա Նիկողայան
6	10-016-0211-0020	hay	Աշոտ Եղոյան Արշալույսի, Ռեմիկ Եղոյան Լիպարիտի, Ռաֆիկ Եղոյան Աշոտի
7	10-016-0211-0021	arable without irrigation	Վարդան Եղյան Ջորիկի, Մագթաղ Եղիյան Ջորիկի, Վանուհի Եղոյան Ջորիկի, Գարիկ Եղիյան Վարդանի, Գուրգեն Եղիյան Վարդանի
8	10-016-0203-0042	arable without irrigation	Արևիկա Մկրտչյան, Սևակ Մկրտչյան Վանիկի, Վրեժ Մկրտչյան
9	10-016-0203-0035	arable without irrigation	Արծրուն Թադևոսյան Մամիկոնի, Երազիկ Թադևոսյան Արամայիսի, Ռուբիկ Թադևոսյան Արծրունի
10	10-016-0203-0036	arable without irrigation	Արտեմ Սարգսյան Սեդրակի, Վերգուշ Արսենյան Թադևոսի, Հրահատ Արսենյան Արտեմի, Անահիտ Արսենյան Հրահատի, Դավիթ Արսենյան Հրահատի
11	10-016-0211-0023	arable without irrigation	Աշոտ Եղոյան Արշալույսի, Ռեմիկ Եղոյան Լիպարիտի, Ռաֆիկ Եղոյան Աշոտի
12	10-016-0203-0039	arable without irrigation	Արծրուն Նիկողայան Վաղարշակի, Հրանուշ Մարգարյան, Վաղինակ Նիկողայան Արծրունու, Դավիթ Նիկողայան Արծրունու
13	10-016-0204-0133	arable without irrigation	Ֆելիքս Խաչատրյան Մկրտիչի, Լուսինե Խաչատրյան Ֆելիքսի, Մկրտիչ Խաչատրյան Ֆելիքսի, Օֆելյա Ջանոյան Արյուծիկի
14	10-016-0203-0037	arable without irrigation	Լիդա Ալավերդյան Սամսոնի, Մայիս Աղաբեկյան Ռաֆիկի, Վարդանուշ Հովսեփյան Նորաինի
15	10-016-0203-0040	arable without irrigation	Ֆլորա Բարսեղյան Էլիզումի, Գարուն Նիկողայան Նորիկի, Մարինե Նիկողայան Նորիկի, Արփինե Նիկողայան Նորիկի, Պարզն Նիկողայան Նորիկի,
16	10-016-0203-0010	arable without irrigation	Նաիրի Նիկողայան Վարազդատի

#	Cadastral Number	Land category	Names of landowners
17	10-016-0203-0043	arable without irrigation	Սաթիկ Ալավերդյան Մանուկի, Արարատ Ալավերդյան Հարությունի, Սիրանուշ Խաչատրյան Գուրգենի, Գարիկ Ալավերդյան Արարատի, Գոհար Ալավերդյան Արարատի,
18	10-016-0203-0041	arable without irrigation	Ռուբեն Հովհաննիսյան Աբելի, Լարիսա Հովհաննիսյան Նիկոլայի, Էդգար Հովհաննիսյան Ռուբիկի, Արսեն Հովհաննիսյան Ռուբիկի
19	10-016-0203-0046	arable without irrigation	Աղվան Մկրտչյան Արտեմի, Ելենա Սարգսյան Վահանի, Ցողիկ Մկրտչյան Աղվանի, Շամիրամ Մկրտչյան Աղվանի, Արթուր Մկրտչյան Աղվանի, Հայկուհի Մկրտչյան Աղվա
20	10-016-0204-0132	arable without irrigation	owners of the next 3 plots being checked with Cadaster (Official letter sent)
21	10-016-0204-0171	arable without irrigation	same as above
22	10-016-0211-0019	arable without irrigation	same as above

Annex 2 – List of Informal Hay Users in the BSRF Area

#	Names of hay field land users (Gndevaz)
1	Արշակայան Մխիթար
2	Անտոնյան Շահեն
3	Մկրտչյան Բենիամին
4	Եղոյան Ռաֆիկ
5	Սարգսյան Հակոբ
6	Վասակյան Վասակ
7	Նիկողայան Նաիրի
8	Առաքելյան Դանել
9	Հովհաննիսյան Օնիկ
10	Հովսեփյան Սերյոժա
11	Մկրտչյան Հայրապետ
12	Եղոյան Արզամ
13	Թադևոսյան Մամիկոն
14	Խաչատրյան Վանիկ
15	Ստեփանյան Հրաչ
16	Զաքարյան Իզնատ
17	Թադևոսյան Տիգրան
18	Գրիգորյան Դավիթ

Annex 3 – List of Surveyed Herders

#	Name of herder	Permanent residence	Site 14/, daily herders	BRSF; seasonal herders	Distance/km: pasture to and residence
1	Հրայր Միրզոյան; Սերյոժա Միրզոյան	Xndzoreshk		V	100
2	Վրեժ Դալաթյան, Վլադիկ Դալաթյան	Xndzoreshk		V	100
3	Հարությունյան Հարութ	Xndzoreshk		V	96
4	Հովհաննես Սողոմոնյան, Հակոբ Սողոմոնյան	Xndzoreshk		V	96
5	Ղուլյան Նորիկ	Xndzoreshk		V	100
6	Շահնուբարյան Արամայիս	Xndzoreshk		V	84
7	Ղարդիյան Արամայիս	Xndzoreshk		V	100
8	Վարդան Դիշունց	Xndzoreshk		V	100
9	Հրանտիկ Բեգլարյան	Xndzoreshk		V	100
10	Ղաղուց Սուրիկ	Xndzoreshk		V	100
11	Սարգսյան Դավիթ Սարգսյան Յուրիկ	Xndzoreshk		V	100
12	Հայկ Կարապետյան Սամվել Կարապետյան	Xndzoreshk		V	100
13	Վահագն Սարգսյան Թամարա Սարգսյան	Xndzoreshk		V	100
14	Մուրադյան Արտաշ	Xndzoreshk		V	100
15	Նորիկ Ղուլիան	Xndzoreshk		V	100
16	Սերյոժա Բեգլարյան	Xndzoreshk		V	85
17	Մուրադյան Արտուշ	Nerkin Xndzoreshk		V	100
18	Մովսիսյան Գուրգեն	Shakin		V	35
19	Վահան Խաչատրյան	Shake		V	30
20	Աղաբեկյան Ալբերտ	Goris area		V	80
21	Սարգսյան Սամվել	Gorayk		V	90
22	Գրիգորյան Շահեն	Akner		V	100
23	Ղարիբ Ստեփանյան Գարեգին Ստեփանյան	Hoktembryan		V	80
24	Հակոբյան Հրաչ	Eghegnadzor		V	60
25	Բակունց Սասուն	Verishen		V	70
26	Մուրադ Աղաջանյան	Gorayk		V	4
27	Հայկ Մկրտչյան Վլադիկ Մկրտչյան	Gorayk		V	3
28	Արշակ Անտոնյան	Gorayk		V	4
29	Խորեն Եփրեմյան	Gorayk		V	3

#	Name of herder	Permanent residence	Site 14/, daily herders	BRSF; seasonal herders	Distance/km: pasture to and residence
30	Պողոսյան Արամ	Gorayk		V	3
31	Գրիգորյան Հրաչյա Սիմոն Գրիգորյան	Gndevaz	V		20
32	Շահեն Նիկողայան	Gndevaz	V		10
33	Թաթուլ Գրիգորյան	Gndevaz	V		6
34	Նիկողայան Դավիթ	Gndevaz	V		10
35	Եղոյան Վահան	Gndevaz	V		2
36	Ռաֆիկ Եղոյան	Gndevaz	V		3
37	Կարո Հունանյան	Gndevaz	V		7
38	Ռուբեն Հովհաննիսյան	Gndevaz	V		6
39	Մկրտչյան Հակոբ	Gndevaz	V		7

Annex 4 – Socio-Economic Summary on Landowners of Affected Agricultural Plots

SOURCES OF INFORMATION

The following sources of information were used to generate the summary of socio-economic baseline presented in this sector:

- **Livelihoods survey** was conducted in early November 2015, to cover all land owners of 22 plots in Site 14, and within 15 m. buffer zone (each side) from the Conveyor. A total of 17 affected households were surveyed for Phase 4.
- The team followed the same methodology and questionnaire applied during the fall 2014 Livelihood Survey, designed by international consultant F. Giovannetti. Thus, there is no difference between the two surveys: the 2015 Survey covered additional landowners for Phase 4.
- **Land use survey** in November 2015 to identify use of land in the Project footprint.
- **Herders' survey** was carried out late Sept 2015, to cover the BRSF and a wider area for seasonal herders; and b) daily herders in Site 14 from Gndevaz. A total of 39 were surveyed (30 from BRSF and 9 from Gndevaz).
- **Qualitative information** gathered from local sources, including key informants within local municipalities and other informants.
- **Focus groups** held in 2014 and again in July-August 2015 by the team in charge of ecosystem services survey for the ESIA.

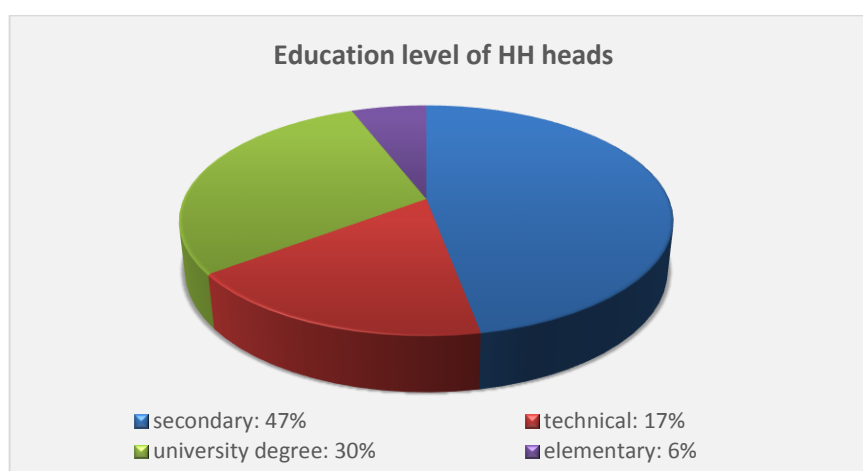
RESULTS OF THE HOUSEHOLD QUANTITATIVE SURVEY

The results below summarize the findings from Livelihood survey in Gndevaz conducted in November 2015 for 17 households (HH) affected by LA in Phase 4.

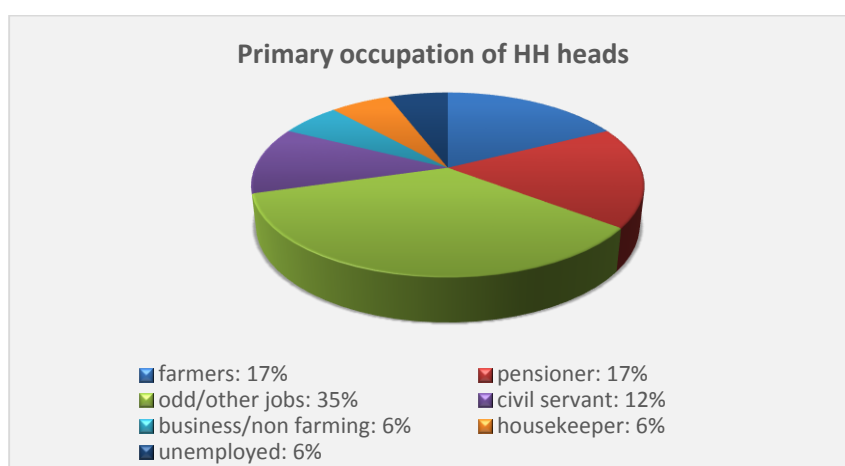
Demography of affected households

The average age of surveyed HH heads is 52.5 years, with a minimum age of 32, and a maximum age of 89 years. Average HH size is 4.6 individuals (including the head of HH), with a minimum of 1, a maximum of 8 and a median of 5.

There are 2 female-headed HH (0.11%): one women-headed, one is a pensioner couple. The educational level of heads of HHs is shown in the figure below:



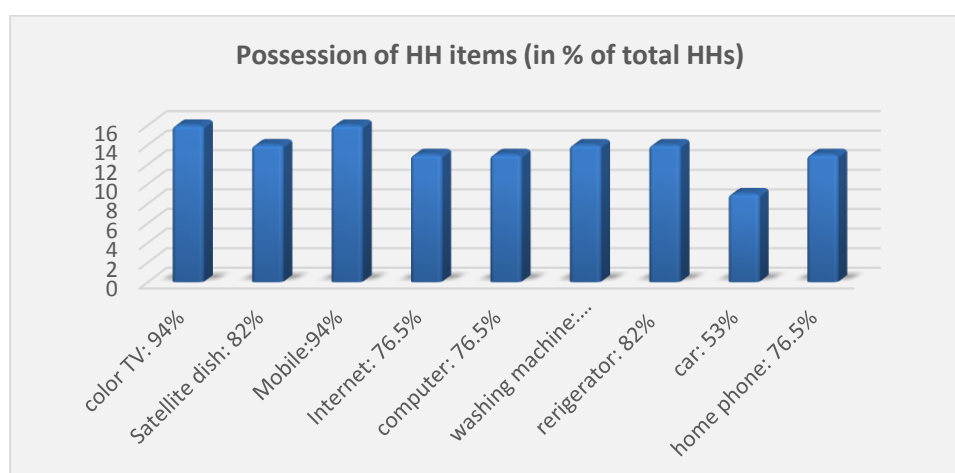
This reinforces findings of the larger group of surveyed in fall 2014 (150 HHs), i.e., a generally well-educated community, where no head of HH has not completed at least primary education.



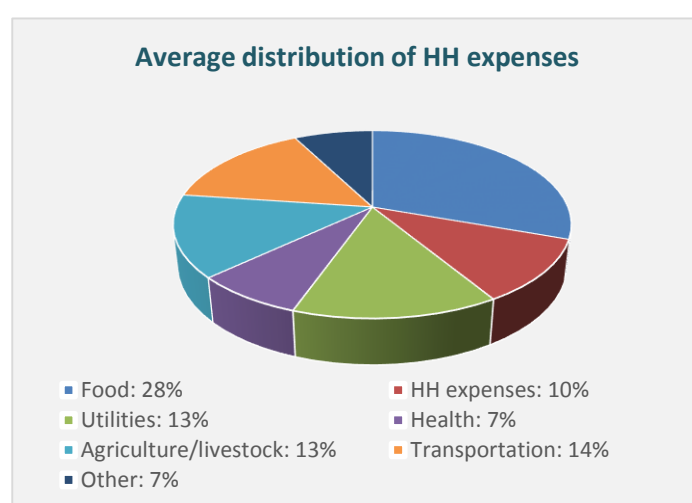
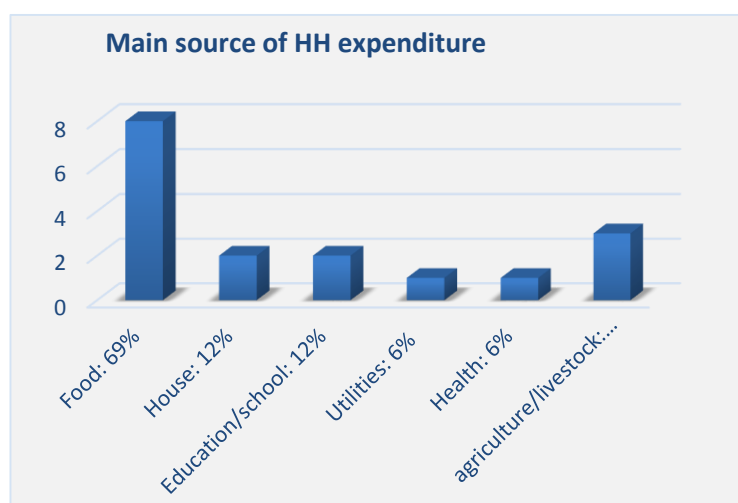
Most surveyed heads of HH indicated farming as their primary occupation, at the same time mentioning that their livelihood is based on a combination of activities including farming, livestock, odd jobs, etc.

Livelihoods and standard of living

The figure below shows the percentages amongst affected HHs owning certain household items selected as indicators of standard of living.

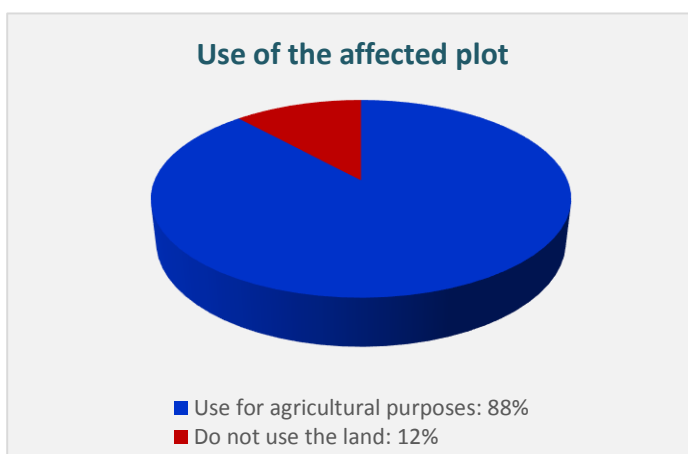
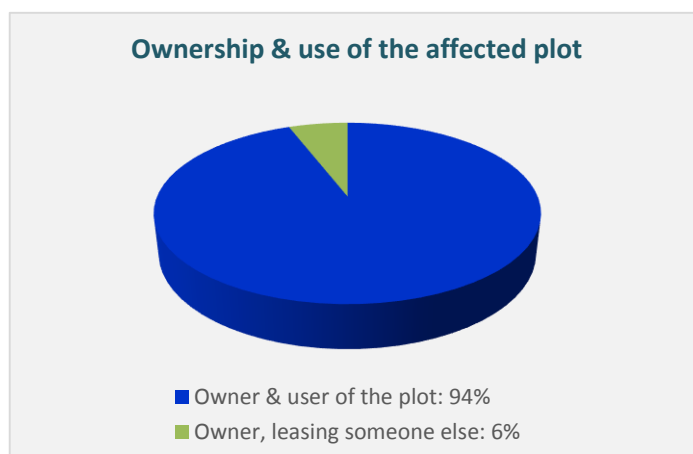


The figures below show the percentage of affected HHs declaring certain types of expenditures as their primary source of expenses, and (right side) the average distribution of expenditures. Food in both charts is declared as the first source of expenditures and the largest amount spent as an average HH expense per month.

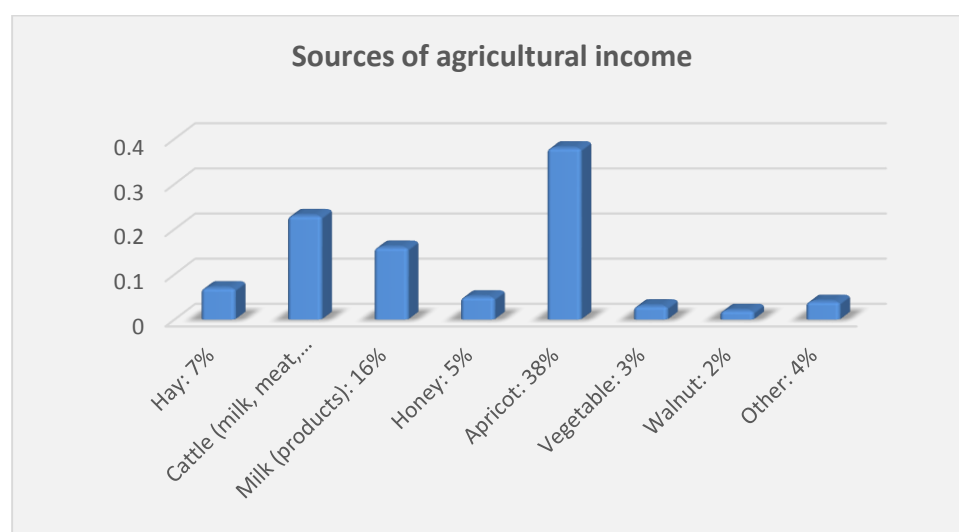


Agriculture

The figures below show the ownership of the affected plots and the purpose of the land use: all lands have identified owners and 88% of land is used for agricultural purposes: those not using land for a livelihood are primarily elderly pensioners.



The figure below shows the sources of agricultural income:



The table below shows the average yearly income of surveyed HHs from different areas of agriculture, indicating that income is based on different livelihood sources.

	Total annual income of HHs from all sources: agriculture, livestock, paid jobs, services, odd jobs, etc.)	
	AMD / year	USD / year ⁴
Average	2,380,000	5,000
Maximum	5,800,000	12,080
Minimum	300,000	625

⁴ At an exchange rate of USD 1=AMD 480