

ESIA summary

Impacts and mitigation

The ESIA concluded that the project could have a number of adverse impacts on the physical, biological and social environments. However, most of the potential impacts will be adequately mitigated by the implementation of industry-standard, good-practice management measures. Particular care is required to ensure that the availability and quality of surface water and groundwater in the area is not affected by the project, because some local communities depend directly on natural sources for drinking and for irrigation. The project will significantly change a rural landscape in which local people engage in traditional land management practices and to which many feel a strong sense of attachment. There is the potential for significant landscape and visual impacts. These potential impacts are being taken into account during the detailed project design. A number of management plans describes how to mitigate these potential impacts. Lydian recognises that the support and goodwill of local communities will depend on the company being seen to manage the project well.

Livelihoods

No resettlement will be necessary as a result of the project. One resident of an apartment has agreed to sell the property so that the property can be used as a monitoring station. Economic displacement will occur through conversion of agricultural land and access restrictions to other land. Some land will need to be purchased by the project, while other areas will be rented.

All affected land owners, users and good practice compensation methods will be used, including an offer of "land for land" to ensure that livelihoods are not lost or degraded.



Biodiversity

The project will impact "critical habitat" for an alpine plant, *Potentilla porphyrantha*. "Critical habitat", as defined by international good practice, is habitat that is key for supporting globally threatened or otherwise protected species. The project will also have a footprint on the natural habitat of the local Brown Bear population, the extent of which will be determined by further studies to be conducted in 2015-2016.

To minimise its impacts, Lydian will set aside an area around the Arshak peak on Amulsar Mountain that will not be mined but instead will preserve natural and critical habitat. In addition, research and restoration programmes for the key species will be undertaken, and a "biodiversity offset" will be established as part of the planned Jermuk National Park to compensate for the project's effects on natural habitat.