

II QUARTERLY PROGRESS REPORT

UNDP / GEF PROJECTS (PIMS 4905)

April – June 2020

“Elimination of obsolete pesticide stockpiles and addressing POPs contaminated sites within a sound chemicals management framework in Armenia” full-sized Project 00091031

The confirmation of the price negotiation with French company Tredi-Environment/Seche-group as a recommendable bidder, was received from ACP on May 4, 2020 (delays were conditioned with extraordinary workload of emergency procurement associated with COVID-19 response activities). A remote meeting discussion was organized on May 22, 2020. Before the negotiations, an advance notice was shared with the bidder on the conducted analysis indicating that the offer significantly exceeds market prices/rates. The negotiated price offer was received on June 4, 2020 and it was not corresponding to the expected price reduction target. The recommendation from the RBEC office received in the end of June after studying the case was to cancel the tender as not assuring the best value for money. The project currently is in the process of close consultations with the MoE as the lead partner of the project to select the further possible direction out of pre-developed alternative solutions, based on the pro-active discussions during the project implementation period and Project Document risk mitigation measures.

The project finalized and shared with the MoE the English and Armenian versions of the pre-feasibility assessment report produced by the experts of SWECO International consulting company hired as per the request of MoE to conduct the pre-feasibility study of Hrazdan cement plant, organized the delivery of a remote format detailed presentation of the conducted pre-feasibility assessment, covering issues from organizational and safety, to technological and existing capacity, as well as financial investment requirement and the further activities roadmap. The important conclusion was that this project may become a reality and needs government investment, since it is a costly initiative. For the project purposes this capacity is not recommended, since the Nubarashen waste contains mercury, the filtering of which greatly adding to the required investment.