

**The Ministry of Territorial Administration and Infrastructure of Armenia (MTAI)**  
**Road Department Fund (RDF)**

**Resilient and Inclusive Road Sector Improvement Project:**  
**Northern section of Sisian – Kajaran road project**

**QUALITY COST BASED SELECTION (QCBS)**

**Request for Expression of Interest (REOI)**

Date	09 July, 2025
Contract No. and Title	ADB/RIRSIP/CS-01: Consulting Services for Project Management Consultant for Sisian – Kajaran road Investment Project
Deadline for EOI	25 August, 2025, 18:00 (Yerevan time)

1. The Republic of Armenia (hereafter: the Borrower) has applied for financing from the different international financing institutions (IFIs) to finance the Sisian-Kajaran road project (hereafter: Project) which is part of the part of the North-South Road Corridor Investment Program and intends to apply the unutilized part of the proceeds for selection of the Project Management Consultant (hereafter: PMC). The Project envisages the construction of a new road section with a total length of about 60 km, including 27 bridges with a total length of about 4.7 km and 9 tunnels with a total length of about 12.5 km (the longest is the Bargushat Tunnel with a length of about 8.65 km). The Project will be divided into 3 (three) sections. Financing of each section will be led by a different financier (hereafter: IFIs):

- Northern Section from km 0 to the Bargushat Tunnel North Portal at approx. km 27, section length 27 km (financed by ADB and EIB).
- Bargushat Tunnel Section from km 27 to km 35.8, section length 9 km (expected financing from the French Government).
- Southern Section from Bargushat Tunnel South Portal at approx. km 35.8 to km 60, section length 24 km (financed by EBRD and EIB).

Road Department Fund (hereafter: RDF) (The “Client”) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

Interested Consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, experience in region/country, etc.).

A Consultant will be selected in accordance with the QCBS (Quality-and Cost-Based Selection) method set out in the Consultant Guidelines.

The consulting services (“the Services”) include: The main objective of the assignment is to provide high quality professional advice and management & implementation support to the Road Department Fund to effectively implement the Project. In order to achieve this objective, the Project Management Consultant will provide support to RDF to ensure each and every activity of all the components of the Project is completed without cost and time overrun. Compliance to

Loans and Project agreements and its covenants shall be ensured and capacity development and the introduction of modern Project Management practices within RDF shall be promoted. The PMC will be responsible for effectively leading and taking initiative to efficiently manage and implement all components under the Project. PMC will be responsible for advising, assisting and acting on behalf of RDF when so authorized, for the effective management of the different components of the Project. However, it should be noted that the overall decision making and responsibility lies with RDF.

The Estimated duration of the Services is expected to be 72 months.

## 2. **Procurement Information:**

Selection Method	QCBS
Contract Type	Time based
Type of Proposal	Full Technical Proposal (FTP)
Duration of Assignment	72 months
Tentative commencement date	December 2025
Anticipated completion date	72 months after commencement date
Tentative Short-listing Date	August 2025

The PMC should have extensive and proven experience in project administration, financial management, procurement, design control, and project performance management, construction supervision, quality control, contract management and dispute resolution of similar type and size international contracts. The PMC should also have knowledge and experience in environmental and social safeguard policies of international financing institutions (i.e. EIB, ADB, EBRD, and other international development institutions), environmental and social risk management/impact assessment for large infrastructure projects in line with the national law and IFI's E&S policies and their respective requirements and good international industry practices.

The ToR for the details are attached.

Qualification criteria are:

- General experience - Participation in project management projects (number of similar contracts within the last 10 (ten) years);
- Project Related Experience - Similar experience in providing project management consultant services of road, bridges and tunnels construction/rehabilitation projects (number of similar contracts within the last 10 (ten) years);
- Overall assessment of Consultant's staffing arrangements and capacity (available permanent staff, portfolio of ongoing projects);
- Period of legally registration of a Consultant, including joint venture firms (at least 10 (ten) years on the deadline for submission of the Expression of interest).

## 3. **Submission of EOI:**

The interested consultants are strongly encouraged to register and apply through ADB's Consultant Management System (CMS) at <http://cms.adb.org>. Online submission is always the main submission method. Offline EOI submission through email or sealed envelope is an option. Using ADB's EOI template (<https://www.adb.org/sites/default/files/business-guide/436006/eoi-consulting-firms-20180808.docx>) for EOI submission is required. If both an online version and offline version of the EOI submission is submitted, the online version will prevail. Late submissions would be rejected.

If submitting offline, hard copy EOIs should reach the office of the RDF at the address below not later than closing date and time of EOI submission stated above.

Consultants may associate with other firms in the form of a joint venture or a sub consultancy to enhance their qualifications. When submitting an EOI as a firm or association, the lead firm states its CMS registration number in the EOI. If unregistered, the lead firm first completes at least a simplified registration in CMS, and submit a full registration before contract negotiations, if selected.

The Expressions of Interest (EOI) should contain detailed information about Consultant's Organizational Capability, Experience, Past Performance in conducting programs in developed and developing countries, demonstrated familiarity with the challenges of working in the region (Armenia, Caucasus and/or other CIS countries) and might include references from previous clients.

The closing date for the submission of EOI is: **at or before 18:00 pm (Yerevan time) on 25 August, 2025,**

“Road Department” Fund on behalf of Ministry of Territorial Administration and Infrastructure of RA

Attn: Arkadi Cherchinyan, Executive Director

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**The Ministry of Territorial Administration and Infrastructure of Armenia (MTAI)**  
**Road Department Fund (RDF)**

**Resilient and Inclusive Road Sector Improvement Project:**  
**Northern section of Sisian – Kajaran road project**

**QUALITY COST BASED SELECTION (QCBS)**

**Request for Expression of Interest (REOI)**

Date	<b>14 July, 2025</b>
Contract No. and Title	<b>ADB/RIRSIP/CS-02: Consulting Services for Construction Supervision Services on the Resilient and Inclusive Economic Corridor Improvement Project for Northern Section of Sisian-Kajaran Road</b>
Deadline for EOI	<b>27 August, 2025, 18:00 (Yerevan time)</b>

The Republic of Armenia (the Borrower) has applied for financing from the Asian Development Bank (ADB) and the European Investment Bank (EIB) to finance a section of the North-South Road Corridor Investment Program and intends to utilize this financing for the procurement of Construction supervision services for the Northern Section (from km 0 to the Bargushat Tunnel North Portal at approximately km 27+104, section length: about 27 km) of Sisian - Kajaran Road Project (including construction of 16 new bridges with a total length of about 3.06km and 3 tunnels with a total length of about 1.56 km).

Intended key tasks under the contract include:

- Review the detailed design prepared for the construction contract and any design activities undertaken by the Contractor under the construction contract.
- Carry out all construction supervision (FIDIC Engineer) activities for civil works for the Project under FIDIC Conditions of Contract for Construction for Building and Engineering Works Designed by the Employer, Multilateral Development Bank Harmonised Edition June 2010;
- Ensure compliance of the contractor with all environmental and social safeguards requirements of the RD, ADB and EIB.
- Provide regular reports to the Client on all aspects of the construction and undertake all other tasks listed in the TOR for the services.

Road Department Fund (RDF) (The “Client”) now invites eligible consulting firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

Key experience requirements include:

- Technical Competence: This relates to the technical qualifications of the Consultant in undertaking similar assignments (construction supervision). The Consultant should provide project references demonstrating their technical qualifications and experience in this area
- Geographical Experience: providing project references that present experiences in similar geographic areas.
- Management competence including quality assurance procedures, dealing with complaints, and reducing instances of changes in personnel.

Consultant recruitment will be undertaken in accordance with the ADB Procurement Policy (2017, as amended from time to time) and the Procurement Regulations for ADB Borrowers (2017, as amended time to time). The QCBS (Quality-and Cost-Based Selection) method of consultant recruitment will be used for this consulting services selection.

**1. Procurement Information:**

Selection Method	QCBS
Contract Type	Time based
Type of Proposal	Full Technical Proposal (FTP)
Duration of Assignment	72 months Construction period and 24 months Defect Notification Period.
Tentative commencement date	January 2026
Anticipated completion date	72 months after commencement date (excluding Defect Notification Period)
Tentative Short-listing Date	September 2025

The Consultant shall have extensive and proven experience in Construction supervision, preparation of technical specifications, quality control, contract management and dispute resolution of similar type and size international contracts (**see attached TOR for the details**).

Qualification criteria are:

- General experience - Participation in road, tunnels and bridges construction/rehabilitation projects (number of similar contracts within the last 10 (ten) years);
- Project Related Experience - Similar experience in providing Technical Supervision services of road, bridges and tunnels construction/rehabilitation works under the FIDIC form of contract (number of similar contracts within the last 10 (ten) years);
- Overall assessment of Consultant's staffing arrangements and capacity (available permanent staff, portfolio of ongoing projects);
- Period of legally registration of a Consultant, including joint venture firms (at least 10 (ten) years on the deadline for submission of the Expression of interest).

## 2. Submission of EOI:

The interested consultants are strongly encouraged to register and apply through ADB's Consultant Management System (CMS) at <http://cms.adb.org>. Online submission is always the main submission method and interested firms are encouraged to use this submission method. Offline EOI submission through email or sealed envelope is an option. Using ADB's EOI template (<https://www.adb.org/sites/default/files/business-guide/436006/eoi-consulting-firms-20180808.docx>) for EOI submission is required. If both an online version and offline version of the EOI submission is submitted, the online version will prevail. Late submissions would be rejected.

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The Expressions of Interest (EOI) should contain detailed information about Consultant's Organizational Capability, Experience, Past Performance in conducting programs in developed and developing countries, demonstrated familiarity with the challenges of working in the region (Armenia, Caucasus and/or other CIS countries) and might include references from previous clients.

The closing date for the submission of EOI is: **at or before 18:00 pm (Yerevan time) on 27 August, 2025.**

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## **Outline Terms of Reference**

### **Consulting Services for**

### **Project Management Consultant for Sisian – Kajaran road Investment Project**

#### **I. Background**

The Sisian – Kajaran road is part of the North-South Road Corridor Investment Program, which aims to connect the Southern border of Armenia with the Northern one by construction of 556 km long Meghri – Yerevan – Bavra highway. The North-South Road Corridor Project is divided into 6 tranches where the Sisian – Kajaran road forms part of Tranche 4. Tranche 4 is the southernmost part of the North-South corridor. It begins from the town of Artashat and ends at the mutual border between the Republic of Armenia and the Islamic Republic of Iran.

The Sisian-Kajaran road is a greenfield project (hereafter: Project), shortening the existing road by about 58 km. The Project section begins from the southern foot of Mount Mets Ishkhanasar (3550 m), crosses M2 highway, passes through the left - bank mountain slope of the Vorotan River, crosses the Vorotan River through the upper part of Shamb water reservoir, crosses the Bargushat ridge (with spot heights 3000 m and higher) through mountain slope on the left side of the Loradzor tributary, passes through mountain slope on the right side of Voghchi river valley in the vicinities of the community Nor Astghaberd (Geghi), reaches the right-side mountain slope of Kapan - Kajaran road section and continues to link the existing M2 road in Kajaran direction.

The Project envisages the construction of a new road section with a total length of about 60 km, including 27 bridges with a total length of about 5.1 km and 9 tunnels with a total length of about 12.5 km (the longest is the Bargushat Tunnel with a length of about 8.6 km).

Sisian-Kajaran Road Project was divided into 3 sections. Financing of each section will be led by a different financer (hereafter: IFIs)<sup>1</sup>:

- Northern Section from km 0 to the Bargushat Tunnel North Portal at approx. km 27, section length 27 km (financed by ADB and EIB)
- Bargushat Tunnel Section from km 27 to km 35.8, section length 9 km (expected financing from the French Government)
- Southern Section from Bargushat Tunnel South Portal at approx. km 35.8 to km 60, section length 24 km (financed by EBRD and EIB)

It is envisaged that the procurement of Works for Northern Section is expected to be based on FIDIC MDB (Multilateral Development Bank Harmonised Edition) Conditions of Contract, whereas for Bargushat Tunnel Section and Southern Section a design-build approach is expected to be based on FIDIC Yellow Book.

Planned duration of the Project 96 (Ninety-six) months, include 72 (seventy-two) months for construction and 24 (Twenty-four)<sup>2</sup> months for Defects Notification Period (DNP).

#### **II. Project Objectives**

The overall aims of the Project is to (i) a secure, high-quality road link from Sisian to Kajaran (S-K), (ii) support Armenia's economy and country cohesiveness (iii) enhance or improve capacity of the transport and logistics in the country (iv) provide sustainability and climate resilience of road assets, (v) expand the economic benefit of the infrastructure investment to the region.

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<sup>1</sup> The PMC will be further informed about the specific IFIs that will finance the sections.

<sup>2</sup> During the DNP, the Consultant's involvement is not required.

### **III. Objective(s) of the Assignment**

The main objective of the assignment is to provide high quality management & implementation support to the Road Department Fund<sup>3</sup> (hereafter:RDF) to effectively implementation of the Project. In order to achieve this objective, the Project Management Consultant (hereafter: PMC) will provide support to RDF to ensure each and every activity of all the components of the Project is completed without cost and time overrun. Compliance to Loans and Project agreements and its covenants shall be ensured and capacity development and the introduction of international Project Management practices within RDF shall be promoted. The PMC must prepare and implement Capacity Building program for the RDF through conducting appropriate internal seminars and trainings, which must be agreed upon with the Client in advance.

### **IV. Implementation Arrangements**

RDF of the Ministry of Territorial Administration and Infrastructure (MTAI) is foreseen to be responsible for the implementation of the Project. A dedicated Project Implementation Units (PIU`s) will be established in RDF, headed by a Program General Manager and supported by other staff responsible to implement the Project. The Program General Manager manages the development and delivery of the Project and will be responsible for the entire program. The Program General Manager provides support and guidance on individual projects (sections), reporting and communicating with ministries, the lenders, the Governing Council, and other stakeholders.

For each construction section a Project Manager will be appointed by RDF, who will lead a subdivision of PIU to oversee project management of an individual project/section in terms of quality, financial, schedule as well as environmental, social and safety issues and interface with the adjacent sections. The Project Manager has the overall accountability for the delivery of the designated section and is managing all activities day-to-day.

The PMC for the Project shall assist and be responsible for the effective management and implementation of the Project focusing on various components by working as a part of the RDF. The PMC shall provide high quality management and implementation support through an experienced team of experts.

With regards to the environmental and social (E&S) standards, the PMC's role will be to ensure that the contractors for the three sections will comply with the Framework Environmental and Social Management Plan<sup>4</sup> (ESMP) developed under the Environmental and Social Impact Assessment (ESIA) and report conformity with Framework ESMP to RDF and IFIs by pre-approving the Contractor's site specific E&S management plans (SSESMPS) before RDF issues formal sign off on key SSESMPS. The legal covenants reflecting the E&S commitments required under ADB/EBRD/EIB policies will be included in the respective loan agreements so these can be transposed by the RDF as part of the agreement with the Contractor for the tunnel section.

The envisaged organizational structure of the PIUs and envisaged Project management scheme is shown on the Figure below<sup>5</sup>.

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<sup>3</sup> According to the No. 1298-A decision (August 6, 2021) of the Government of the Republic of Armenia, the Road Department Fund is a non-profit organization established on the basis of voluntary property contributions of the founder. The founder of the Road Department Fund is the Republic of Armenia, represented by the Government of the Republic of Armenia.

<sup>4</sup> <https://www.ebrd.com/work-with-us/projects/psd/51293.html>

<sup>5</sup> The structure of the RD and PIU might be changed due to the needs and development of the Project



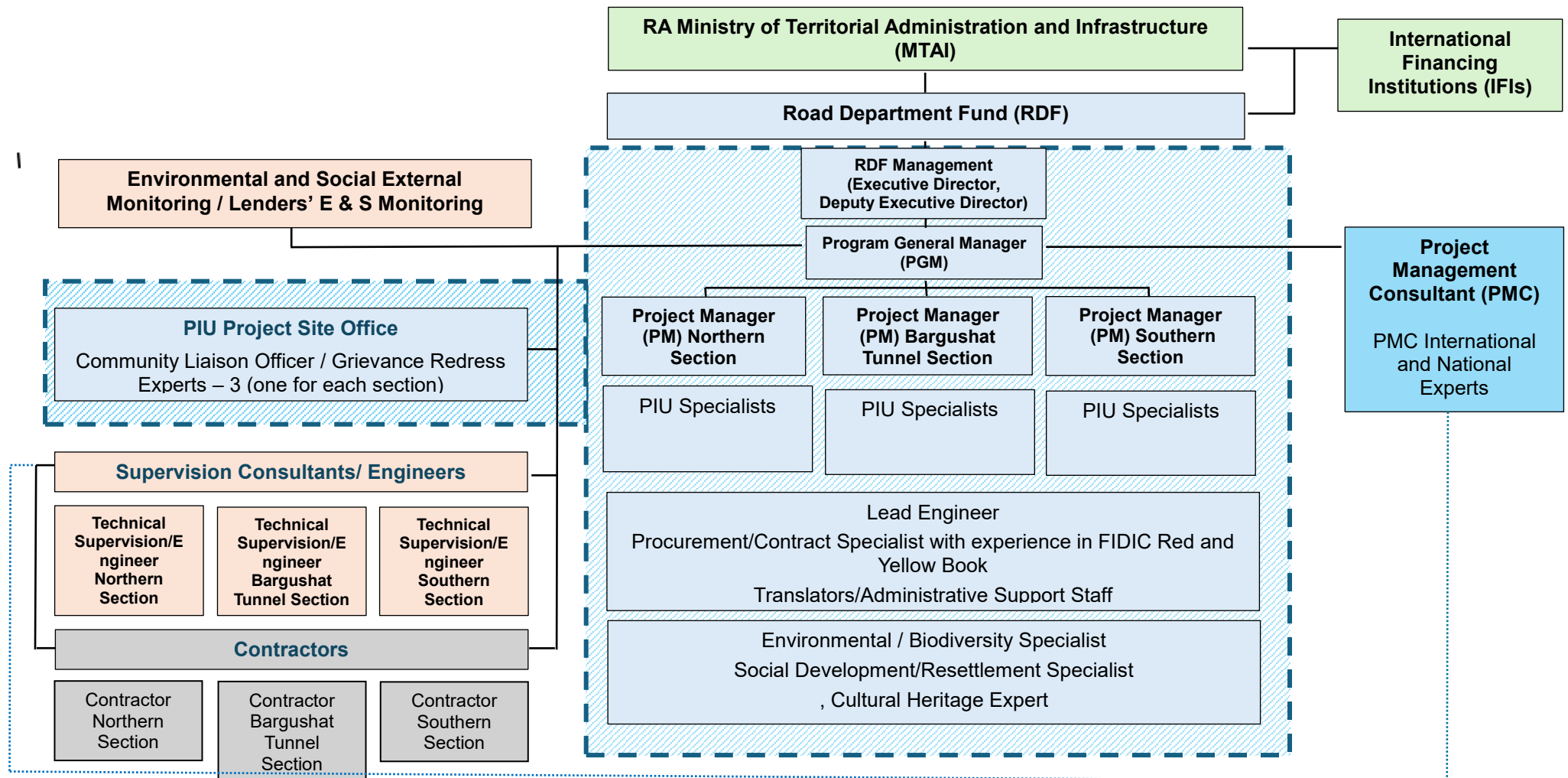


Figure 1, Project management anticipated scheme

RDF will provide access to the required information and other assistance as required to effectively undertake this assignment. Any relevant document available with the RDF would be shared with the PMC's team for limited purposes of the assignment.

## **V. Detailed Scope of the Services**

The PMC will be responsible for effectively leading and taking initiative to efficiently manage and implement all components of the work and services under the Project. PMC will be responsible for advising, assisting and acting on behalf of RDF<sup>6</sup>, for the effective management of the different components of the Project. This will include inter alia follow-up on land acquisition, utility diversions, environmental permits, stakeholder engagement activities and interface management between construction contractors and supervision engineers. However, it should be noted that the overall decision making, and overall responsibility coordination of parties included in Project lies with RDF.

Overall scope of the PMC services shall be as indicated herein below but not limited there to:

### **Project Management and Control**

1. Project management support to RDF for all sections (Northern Section, Bargushat Tunnel Section and Southern Section) and components under the Sisian – Kajaran road project.
2. Coordinate between all parties (RD, Contractors, Engineers, consultants, third parties/IFIs etc.) for the flawless execution of projects.
3. The PMC shall administer implementation of the Project according to time frame, budget and within the Project scope under the control of the RDF. The PMC shall coordinate all its actions in advance with the RDF.
4. The PMC shall ensure consistent reporting to the RDF and IFIs examining all submitted reports and advising RDF on required actions.
5. The PMC shall manage all interfaces between different contractors and supervision engineers and carry out the coordination and monitoring of the Project.
6. The PMC shall responsible for developing an overall execution strategy for the Project, including site coordination within 3 contractors and Engineers including synchronization of logistics, safety plan, quality control and handover of 3 sites.
7. The PMC shall monitor the implementation of the conditions of the contracts, including payment terms, variations, dispute resolution, monitoring, etc.
8. The PMC shall monitor that financial management procedures are in place, specifically relating to payments, financial accounting, and financial reporting.
9. The PMC shall monitor and report to the RDF on the performance of the Project and ensure compliance with all social and environmental requirements in accordance with the Loan Agreements and ESAP, ESMP and all E&S management plans (e.g. ESIA, SEP, RPF, LARP, BAP etc.), and the requirements of detailed design solutions, considering IFIs' E&S standards will apply to the tunnel section given that the tunnel

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<sup>6</sup> In cases whenever an Authorization is required by Armenian legislation, RDF will provide to the consultant with the appropriate power of attorney to act on his behalf

will qualify as 'Associated Facility' under IFIs' respective policies The PMC's main responsibilities as indicated herein below but not limited there to:

- Develop and implement an overall monitoring plan of the Project.
- Oversee the development and implementation a consolidated construction program by the Contractor and Engineer. Support RDF in preparing and submitting proposals for any actions requiring Government intervention that may have potential impacts on the implementation of the Project. .Update overall Project planning regularly.
- Compile baseline data for all performance targets and indicators for each Section as early as possible, but not later than first quarter of each Section construction mobilization.
- Monitor socioeconomic and environmental impacts and report to the RDF.
- Monitor and report to the RDF on compliance of the Project with the provisions preventing discrimination in employment, enforcing gender equality, and reducing risks of spread of communicable diseases; preventing human trafficking, as states in the ESIA and the Gender Assessment and Action Plan, and ensure that such requirements are included in the bid and contract documents.
- Monitor and report to the RDF on compliance with Project assurances, including compliance with all environmental and social safeguards in accordance with IFI's policies.
- Support RDF in development of the project level ESMS including Policy, organizational structure, contractor management etc, as described in the ESIA package.
- Oversee that the construction methods proposed by the contractors for execution of the works are satisfactory, with particular reference to the technical requirements of sound environmental and social standards.

10. The PMC shall carry out overall control, coordination and monitoring of all construction supervision activities, which will be performed by separate Engineers (Technical Supervisor/Engineer for each Section) for civil works of the Project in compliance with the requirements of international standards and best practices for highway/tunnel construction. The PMC verifies and accepts monthly reports from Engineers for each section. The PMC provides the RDF with proposals for replacing members of the Engineer staff who perform their functions in violation of the requirements established by the RDF. The PMC shall also consider and advise the RDF on proposals by Engineers to replace any representative of the Engineers staff.

11. PMC shall create and maintain comprehensive Project documentation. The PMC shall maintain complete files of Project documentation in a cloud-based platform. The filing system and cloud-based platform shall be approved by the RDF. RDF access should be provided to the system. RDF reserves the right to request copies of any project documentation in the Project files. Upon completion of the Project, all Project documentation shall be transferred to RDF. Scope of the creating and maintaining comprehensive Project documentation shall be as follows, but not limited to:

- ✓ implementing the document issue, numbering and distribution systems,
- ✓ implement web-based document management system with access to project stakeholders (RDF, Engineers, Contractors) for effective management of the project,
- ✓ etc.

12. Under construction works implementation stage the PMC shall be responsible for:

- Through the Technical Supervisors/Engineers (hereafter: Engineers) ensure the contractors adhere to the schedule for submitting all documents (performance securities, insurance policies, license, etc.) and any other requirements as stipulated in the specifications and the civil works contracts. The PMC must also review and provide the RDF with a confirmation that the submitted documents comply with the requirements of the Contracts.
- Supervise the preparation of IPCs and schedules, review prepared IPCs, schedules and other technical documents in consultation with the Contractors and Engineers.
- Hold joint at least monthly (more often if necessary) meetings with the RDF and Engineers to review the contractor's claims, the Engineers verification of the accuracy of the claims and withdrawal applications.
- Review the working drawings prepared by the Contractors, checked and approved by the Engineers are correct, and then provide written confirmation to the RDF indicating the acceptance of the drawings.
- Ensure that daily quality control and quantity measurements performed by the Engineers are in accordance with the technical specifications and the requirements of the contracts.
- Ensure that the Lenders' E&S policies are enforced to the tunnel section that qualifies as Associated Facility for all three lenders – this requires application of the Framework ESMP as a minimum over the tunnel section.
- Review Contractors construction programs and method statements approved by the Engineer, checking that they are consistent with the Project implementation schedule and with the design solutions, the requirements of existing normative documents, technological sequence and safety of construction and provide the RDF with a confirmation that submitted documents comply with the requirements.
- Review the daily progress records produced by the Contractors on work progress, labour and working condition, equipment, major construction materials at site, work accomplished, weather conditions, accidents as well as any other events affecting projects cost or implementation conditions of the Project and advise RDF on necessary measures to be taken, if needed.
- Through the Engineers ensure that road safety requirements are implemented in accordance with the civil works contract.
- Review the procedures for verifying Contractor's performance and reporting progress and problems established by the Engineer, including quality control reports, quantity survey records, requests for variation or change orders, requests for time extension, and Contractors claims and invoices, and provide recommendations for improvements, if required. These procedures must be agreed with the RDF in advance.
- Keep RDF timely informed of implementation problems that could jeopardize the Project objectives and recommend on how those objectives can be safeguarded.
- Review Engineers claim evaluation, disputes, extensions of time, and the like, including variation orders and quantity of additional works for RDF 's approval, as well as advising RDF on all matters relating to the execution of the works.
- Review Engineers decisions/instructions in accordance with the requirements of construction work contracts and Engineers contracts. If errors and inconsistencies are found, immediately report to RDF and recommend corrective actions to be taken.
- Facilitate decisions on all claims and accounts and all post contractual formalities, question, disputes and differences which may arise between the RDF and Contractors.
- Carry out an external labour audit in line with the scope and protocols specified under Annex 1 of this TOR. The first labour audit should take place once the main

workforce mobilized, and the second audit should be conducted during the peak of the construction season.

- Upon completion of the construction works, the PMC must participate in the taken over process of each constructed section, acting as the party that carried out overall management during the construction process.

13. The PMC shall advise RDF on changes to the Project scope, schedule, and budget in a controlled manner, ensuring that all changes are properly evaluated, authorized, and implemented in accordance with the relevant contract provisions, including the Change Management procedure.

### **Project Cost and Financial Management**

14. The PMC shall monitor and support in financial management under the Project in accordance with requirements of the IFI's and Armenian legislation, including, but not limited to, reviewing justifications provided for any variation order proposed and submitted.
15. PMC shall review and verify the correctness of payments certified by the Engineers for the civil works against the relevant bill of quantities, verify the correctness of Interim Payment Certificates, Final Payment Certificate and other certificates, including Taking Over Certificate issued by the Engineers, as required under the civil works contracts. If errors and inconsistencies are found, immediately report to RDF and recommend corrective actions to be taken and ensure final submission of the corrected documents.
16. The PMC should liaise with and provide necessary information to the auditors to ensure that the annual audit and the concurrent financial review are satisfactory and timely.

### **Review of Design and Working Drawings**

17. The PMC in collaboration with Engineers shall review the detailed engineering designs prior to the start of civil works and working drawings prepared by the Contractor during construction works implementation for Bargushat tunnel Section and Southern Section<sup>7</sup>. The PMC in collaboration with Engineers shall prepare reports where their concurrence with the designs is stated and/or modifications are proposed. If modifications are proposed, the PMC should endeavour to adhere as close as possible to the scope of the civil works contracts as defined in the specifications, ESIA and bills of quantities. All proposed modifications should be discussed and agreed with RDF prior to commencing with the modifications. A Change Management Plan in accordance with the ESAP /ESMP should be prepared.
18. Responsible for managing, coordinating and reviewing design submissions throughout the design and construction process. Responsible for setting up and managing regular team meetings to resolve outstanding matters and ensure the continued achievement of the brief within the time, cost and quality parameters.

### **Risk Management**

19. Risk Management is a vital area of focus for the PMC as a part of overall project management. The PMC shall implement a Project-level and a series of contract-specific risk management processes that identify, analyse, and proactively manage the risks associated with each specific construction contract and with the Project as a whole. This task must be performed by PMC in accordance with international best practice and best international standards.

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<sup>7</sup> Bargushat Tunnel Section and Southern Section will be built in accordance with the requirements of the FIDIC Yellow Book

20. Advise risks mitigation actions and solutions.

### **Procurement**

21. The PMC shall assist RDF, if any, in formulation of TORs for procurement of various consultancies under the project.
22. The PMC shall assist RDF, if any, in conducting tender processes. Throughout the bidding processes, the PMC shall perform an array of activities, including but not limited to:
- Pre-bid Meeting Coordination: The PMC shall assist the RDF in conducting pre-bid meetings (in case of a meeting is planned in the tender package).
  - Site Visit Attendance: The PMC shall attend site visits with the bidders (in case of a site visit is planned in the tender package).
  - Clarifications and Addenda: The PMC shall draft responses to the clarifications to bidders, presented by RDF and submit to RDF for issuing.
  - Bid Evaluation Assistance: The PMC shall assist the RDF with examining the bids/proposals, including requesting any clarifications needed for the evaluation and comparison of the bids/proposals.
  - Bid/Proposal Validity Extension: The PMC shall prepare timely requests for extension of bid validity dates, if required.
  - Bid/Proposal Evaluation and Recommendation: The PMC shall support the RDF with the detailed Evaluation and Qualification assessment and draft the Evaluation Reports and the recommendations for selection.
  - Contract Negotiation Support: The PMC shall support the RDF during contract negotiations with the best-evaluated participant on technical, contractual, and financial aspects.
  - Contract Award Formalization: The PMC shall assist the RDF in formalizing the contract award.
  - Bidder Debriefing: The PMC shall assist the RDF in debriefing any bidder/participant who wishes to ascertain the grounds on which its bid was not selected.
  - Protests and Complaints Management: The PMC shall assist the RDF in addressing any protests or complaints.

### **Social and Environmental Safeguard Management**

23. The PMC shall ensure that the environmental and social safeguarding measures, including Biodiversity Management Plans, Cultural Heritage Plans, etc., incorporated in the Contract documents, environmental and social management plans and resettlement plans are being implemented by the Engineers and Contractors through verification of compliance with construction phase monitoring program on behalf of RDF.
24. PMC shall monitor complaints and petitions during project implementation to ensure that environment and social safeguard policies of the International Financing Institutions are followed.
25. Jointly with RDF, the PMC shall prepare social and environmental safeguards reports according to the requirements of the International Financing Institutions and promptly propose solutions to the problems found.

26. PMC shall develop the project level Integrated Environmental, Health and Safety, and Social Management System (ESMS) including Policy, organizational structure, contractor E&S, Health and Safety management Procedure, ESMP Framework and etc, Change Management Procedure as described in the ESIA and ESAP.
27. PMC shall support RDF in review of the construction phase specific environmental and social management plans (SESMPs) of the contractor to ensure that those are in line with the framework ESMP, ESAP and the project level ESMS and in developing and implementation construction phase and operations phase E&S monitoring program. The PMC shall update operation-phase SESMPs as described in the ESAP.
28. PMC shall update the existing Biodiversity Action Plan (BAP), develop Biodiversity Offset Management Plan (BOMP) and invasive species management plan based on principles developed in the BAP.
29. If such a need arises, PMC shall prepare CAP for the LARP and submit it for approval by the RDF. Comments that will be provided by the RDF will necessarily have to be discussed and included in the final version of the CAP.

### **Quality and Quantity Assurance**

30. The PMC shall monitor the quality of the Contractors and Engineers deliverables and shall ensure that the implementation of the Project is in accordance with the requirements of RDF, IFIs, RA Government, Project goals, technical/design documentation and Project documents. If errors and inconsistencies are found, immediately report to RDF and recommend corrective actions to be taken.
31. In case of failure by the PMC and/or Contractor and/or Engineer to perform quality work, relevant sanctions will be applied to the PMC, Contractor and Engineer in accordance with the terms of the relevant Contracts and the requirements of the RA legislation.

## **VI. Team Composition, Qualification Requirements and Role of Experts**

The services of the PMC will be provided through an international, professional project management consulting firm. The PMC should have extensive and proven experience in project administration, financial management, procurement, design control, and project performance management, construction supervision, quality control, contract management and dispute resolution of similar type and size international contracts. The PMC should also have knowledge and experience in environmental and social safeguard policies of international financing institutions (i.e. EIB, ADB, EBRD, and other international development institutions), environmental and social risk management/impact assessment for large infrastructure projects in line with the national law and IFI's E&S policies and their respective requirements and good international industry practices.

The PMC will mobilize a Team as required to implement the scope of work, consisting of strong and experienced international and national experts. The PMC shall make its own assessment of the need for such additional experts/staff as it considers necessary for the successful and satisfactory performance of the services. In case of need for additional experts/staff, the PMC must justify this need in detail to the RDF and only in case of written approval from the RDF take appropriate actions.

The indicative manpower deployment of the core team during the project is shown below. The person-month of additional professional, support and administrative staff shall be estimated by the PMC based on the implementation time frame and individual construction sections.

The PMC will be based in Yerevan, the capital of Armenia, but must ensure regular visits (at least two visits during a calendar month, and more often if necessary) to Project sites.

**Number and indicative input of the PMC's core team**

#	Position	Indicative Input in Person Month
<b>Key Experts</b>		
1	Team Leader (international)	72
2	Road/Highway Expert (international)	55
3	Senior Geotechnical Expert (international)	40
4	Senior Tunnel Expert (international)	40
5	Senior Bridge / Structural Expert (international)	40
6	Environmental Expert (international)	15
7	Biodiversity Expert (international)	15
8	Labour Rights Expert (international)	15
9	Social (Gender) and Resettlement Specialist (international)	15
10	Procurement and Contract Management Expert (international)	45
<b>Subtotal Key Experts</b>		<b>352</b>
<b>Non-Key Experts</b>		
11	Cultural Heritage Expert (national)	20
12	Environmental Expert (national)	40
13	Resettlement Expert (national)	40
14	GRM Expert (national)	30
15	Financial Expert (national)	40
<b>Subtotal Non-Key Experts</b>		<b>170</b>
<b>Total Core Team</b>		<b>522</b>

The PMC team shall comprise of strong and experienced specialists that at least possessing the qualification and experience listed below.

The curriculum vitae of the key experts should contain information of the assignment they have successfully completed, with complete names and addresses of the clients and the name and contact information of the immediate supervisors, and the number(s) of the membership(s) and the name(s) of the issuing organization(s).

The minimum experience and qualifications required of the PMC **key staff** are:

**The Team Leader** (international) will be a qualified and competent professional Expert, with relevant degree (a minimum of master's degree) and at least 20 years' professional experience and at least 15 years' specific experience. He/she will have strong experience in Project Management and Administration including managing multi-disciplinary teams and international financed projects, Procurement and Quality Control, Contract Law, and FIDIC Contract Administration, Engineering and Capacity Building. He/she should be member in a relevant professional association and shall have an excellent knowledge of the English



language. Knowledge and experience in Central Asia and Caucasus and of locally spoken languages will add an advantage. He/she will mainly be responsible for<sup>8</sup>:

- Overall project and team supervision.
- All administration and managerial work related to all aspects of the Project, including project management, procurement, financial management, project performance monitoring, loan covenants, E&S safeguards, as well as management of the whole PMC staff.
- Reporting to RDF and IFIs
- Permanent liaison and advice to RDF and IFIs
- Early identification of issues and proposing mitigation and preventing measures
- Resolution of disagreements of RDF, Engineers and Contractors
- Other tasks needed for timely and successful implementation of the Project

**Road/Highway Expert** (international) should have a minimum of master's degree in road engineering or other relevant field, with at least 15 years of professional experience and least 10 years' specific experience in major road projects. He/she will<sup>9</sup> coordinate and review updated designs, working drawings and cost estimates prepared by the Contractors and Engineers, coordinate the works of the contractor(s) and be responsible for early identification of any events leading to cost increase in implementation of the project, such as timely provision of possession of site to contractor(s), managing efforts of the construction supervision, design reviews and undertaking timely actions to mitigate any inconsistencies in design and tender/ contract documents.

**Senior Geotechnical Expert** (international) should have a minimum master's degree degree in Civil Engineering/Mining Engineering / Engineering Geology and a preferably 15 years' professional experience and at least 10 years' specific experience in handling major road and tunnel projects . He/she should have experience as Senior Geotechnical Engineer or similar capacity in major road and tunnel construction/construction supervision projects and shall have an excellent knowledge of the English language. In coordination with the Engineers, he/she should advice RDF on issues related to geotechnical ground conditions and evaluate required design changes, if any<sup>10</sup>, monitor of the implementation by the contractors of earth works..

**Senior Tunnel Expert** (international) will be a graduate in Civil Engineering/Tunnel Engineering/Mining Engineering (a minimum master's degree) with at least 15 years professional experience least 10 years' specific experience in handling major tunnel projects (road/rail/metro) and in major tunnel construction supervision projects. Experience in international financed projects and FIDIC based condition of contract is an asset. He/she shall have an excellent knowledge of the English language. The expert <sup>11</sup> should review design and working drawings prepared by the contractors related to tunnels construction in coordination with the Engineers, he/she should advice RDF in all matters related to tunnel construction, including design adjustments due to unexpected ground conditions, monitor of the implementation by the contractors of tunneling works.

**Senior Bridge/Structural Expert** (international) should have a master degree in civil engineering from a recognized university. He/she should have at least 15 years' experience and least 10 years' specific experience in bridge and structures design, including hydrological design and culvert dimensioning, construction supervision and maintenance. He/she should have a thorough understanding and experience with international best practices, and of modern bridge construction technology. He/she should<sup>12</sup> review structural design calculation,

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<sup>8</sup> Responsibilities are outlined in general terms.

<sup>9</sup> Responsibilities are outlined in general terms.

<sup>10</sup> Responsibilities are outlined in general terms.

<sup>11</sup> Responsibilities are outlined in general terms.

<sup>12</sup> Responsibilities are outlined in general terms.

design and working drawings prepared by the Contractors in cooperation with the Engineers. He/she should assess and determine the need for adjustment of the works specified in the Contracts, and as required, advice RDF on changes/improvement of bridge designs, he/she will monitor the implementation by the contractors of bridges construction works.

**Environmental Expert** (international) shall hold at least a bachelor's degree in environmental sciences or equivalent with not less than 15 years' professional experience and at least 10 years' specific experience in the area of eco systems and environmental protection, conducting environmental risk management, impact assessment, environmental audits and environmental monitoring studies related to infrastructure development projects. He/she should have knowledge with IFIs and Government environmental safeguard requirements and legislation. He/she will prepare a detailed action plan in coordination with the social specialist to ensure that the environmental and social management system is established, implemented, and maintained. He/she will also conduct environmental training and briefings for RDF Engineer and contractor's personnel to provide environmental awareness on IFIs and the government environmental safeguard policies, requirements, and standard operating procedures in conformity with the government's regulations and international practice. He/she will ensure that baseline monitoring and reporting of contractor's compliance with contractual environmental mitigation measures is conducted. He/she will monitor the implementation of the IEE (Initial Environmental Examination), ESIA and ESMPs and other environmental issues related to construction and commissioning of the Project in coordination with the technical supervision consultant. He/she will prepare Environmental and Social Monitoring Reports as requested by RDF and IFIs.

**Biodiversity Expert** (international) shall preferably hold a master's degree in biology, environmental sciences or equivalent with not less than 10 years' professional experience and at least 5 years' specific experience in biodiversity conservation and implementation of biodiversity mitigation measures, valuation and assessment of eco systems services, conducting monitoring assignments related to infrastructure development projects. He/she should be familiar with IFIs and Government environmental safeguard requirements and legislation. He/she will organize the pre-construction biodiversity surveys and will prepare an Update of the Biodiversity Action Plan (BAP) to ensure that the remaining data on biodiversity is timely collected. Should the pre-construction surveys reveal new findings of the biodiversity, the expert will undertake additional internal assessment of the biodiversity values and will identify potential critical habitats and priority biodiversity features, and propose mitigation and offset measures in the BAP Update, to ensure the no net loss/ net gain of the PBF and CH.

He/she will also conduct biodiversity training and briefings to provide awareness on IFIs and the government environmental safeguard policies, requirements and standard operating procedures in conformity with the government's regulations and international practice. He/she will ensure that monitoring and reporting of contractor's compliance with contractual biodiversity mitigation measures is conducted. He/she will monitor the implementation of the BAP, and other biodiversity issues related to construction and commissioning of the Project in coordination with the technical supervision consultant. He/she will prepare also prepare a Biodiversity Offset Management Plan (BOMP) in line with projects ESAP and provide other support as requested by RDF and IFIs.

**“Social, Gender and Resettlement Specialist** (international) shall hold master's degree in social sciences or equivalent with at least 20 years of general professional experience. Preferably 15 years of professional experience related to social safeguard and resettlement studies, ESIA impact assessment, ESAP/LARP implementation and gender action plans in construction projects under IFI requirements. He/she will monitor Land Acquisition and Resettlement Plan (LARP), Livelihood Restoration Plan (LRP), social due diligence for any additional impacts at implementation stage, and preparation and implementation of LARP's Addendums/CAP, social related aspects of the ESIA and ESMP as per IFI requirements as

well as Gender Action Plan (GAP) under the project. He/she should have knowledge and expertise with IFIs and regional social/resettlement safeguard requirements and legislation. He/she will be responsible for all issues related to land acquisition and social due diligence in coordination with the technical supervision consultant and RDF. He/she will also conduct training and briefings to provide awareness on safeguard policies, requirements and standard operating procedures in conformity with the government's regulations and international practice on Land Acquisition and Resettlement and social due diligence, social related aspects of the ESIA and ESMP as per IFI requirements. He/she will be responsible for preparation of social development, resettlement and gender monitoring reports as requested by PIU and IFIs, as well as the ensuring that an effective, culturally appropriate and gender-responsive grievance mechanism for the project affected peoples and other stakeholders is set up and operational."

**Labour Rights Expert** (international) should have a degree (at least a bachelor's degree) in fields related to human rights, labour rights, resource management, sociology, or related fields, at least 7 years progressive professional experience and least 3 years' specific experience in similar projects financed by international financing institutions. He/she should have extensive experience in designing and implementing labour audits in line with national laws, and ILO standards, and good industry practice. He/she<sup>13</sup> should facilitate awareness and commitment to labour requirements, fair treatment, non-discrimination and equal treatment and opportunity of workers, worker compensation and benefits assessment and should provide concrete, time-bound recommendations for the contractors and RDF to mitigate identified risks and cases of non-compliance. He/she will ensure that an effective, culturally appropriate and gender-responsive grievance mechanism for project workers is set up and operative and shall monitor its correct implementation. The expert should also review and monitor the project's labour management policies and procedures to ensure alignment with national and international financing institutions' requirements. Recommendations should include an assessment of the impact on workers, terms of employment including their income, and working conditions. The expert will ensure that an effective, culturally appropriate and gender-responsive grievance mechanism for project workers is set up and operative and shall monitor its correct implementation.

**Procurement and Contracts Management Expert** (international) should be a senior level engineer with preferably a university degree (a minimum master's degree) in engineering, business administration or law from a recognized university. He/she should have at least 15 years' experience in contract administration, evaluation of Extension of Time & Cost Claims of which at least 8 years of project specific experience, using the Federation International Des Ingenieurs Conseils (FIDIC) based contract documents. He/she should be familiar with IFIs procurement guidelines and national standards and should hold a Certified License or Membership in a relevant Professional Association. The Procurement and Contracts Expert<sup>14</sup> will assist in processing all claims for additional payments or extensions of time submitted by the contractor(s)., He/she will assist in Dispute Adjudication proceedings and give firm opinion on any claim which the Contractor(s) may put forward, by drawing up report including all the elements on which the judgment is based. He/she shall record and archive complaints on procurement, and advise RDF for debriefing,

The minimum experience and qualifications required of the PMC non-key staff are:

**Cultural Heritage Expert** (national) should preferably hold a minimum of bachelor's degree in a relevant field of expertise with at least 10 years professional experience and at least 5 years' specific experience. He/she should have extensive experience in planning, conducting and supervising archaeological excavations, and have knowledge and experience of

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<sup>13</sup> Responsibilities are outlined in general terms.

<sup>14</sup> Responsibilities are outlined in general terms.

mitigation measures of culturally and nationally sensitive archaeological findings in Armenia. Working experience with international financing institutions in terms of cultural heritage is an asset. He/she should<sup>15</sup> monitor in coordination with the Engineers, the archaeological part of ESMP, and archaeological excavations. He/she should advice RDF on all issues related to cultural heritages within the project area.

**Environmental Expert** (national) shall hold at least a bachelor's degree in environmental sciences or equivalent with not less than 15 years' professional experience and at least 10 years' specific experience in the area of eco systems and environmental protection, conducting environmental risk management, impact assessment, environmental audits and environmental monitoring studies related to infrastructure development projects. He/she should have knowledge with IFIs and Government environmental safeguard requirements and legislation. He/she<sup>16</sup> will prepare a detailed action plan in coordination with the social specialist to ensure that the environmental and social management system is established, implemented, and maintained. He/she will also conduct environmental training and briefings for RDF Engineer and contractor's personnel to provide environmental awareness on IFIs and the government environmental safeguard policies, requirements, and standard operating procedures in conformity with the government's regulations and international practice. He/she will ensure that baseline monitoring and reporting of contractor's compliance with contractual environmental mitigation measures is conducted. He/she will monitor the implementation of the IEE (Initial Environmental Examination), ESIA and ESMPs and other environmental issues related to construction and commissioning of the Project in coordination with the technical supervision consultant. He/she will prepare Environmental and Social Monitoring Reports as requested by RDF and IFIs.

**“Resettlement Expert** (national) shall hold at least a bachelor's degree in social sciences or equivalent with at least 10 years' professional experience and at least 7 years' specific experience in social science, implementation and monitoring of Land Acquisition and Resettlement Plan (LARP) and social due diligence. He/she should have knowledge and expertise with IFIs and Government social/resettlement safeguard requirements and legislation. He/she will be responsible for on ground monitoring of issues related to land acquisition and social due diligence in coordination with the international social specialist, technical supervision consultant and RDF. He/she will support the international social specialist in conducting training on safeguard policies, requirements and standard operating procedures in conformity with the government's regulations and international practice on Land Acquisition and Resettlement and social due diligence, gender as well as the social related aspects of the ESIA and ESMP as per IFI requirements. He/she will be responsible for preparation of social development, resettlement and gender monitoring reports under the guidance of international social specialist as requested by PIU and IFIs, as well as the ensuring that an effective, culturally appropriate and gender-responsive grievance mechanism for the affected people and other stakeholders is set up and operational.”

**GRM Specialist** (national) should have a bachelor's degree in sociology, anthropology, or other relevant fields with least 10 years of professional experience and at least 5 years' specific experience in respective technical areas cited in the scope of work, preferably including areas such as monitoring and evaluation, social assessment, communication facilitation, grievance resolution, mediation etc. He/she<sup>17</sup> will assist RDF in facilitating resolution (through dialogue, negotiation, mediation or arbitration) of complaints or disputes, of groups and individuals, whose rights may be affected through the implementation of the project in line with the Grievance Redress Mechanism and Stakeholder Engagement Plan in consultation with RDF-appointed CLOs of the project

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<sup>15</sup> Responsibilities are outlined in general terms.

<sup>16</sup> Responsibilities are outlined in general terms.

**Financial Expert** (national) should have a bachelor's degree in the field of project financing with least 10 years of professional experience and at least 5 years' specific experience in respective areas cited in the scope of work. He/she<sup>17</sup> will assist RDF in the area of Project financial management. He/she should have high level knowledges in Armenian Tax Legislation. He/she will prepare Financial Reports as requested by RDF and IFIs

- In addition, the PMC shall propose an adequate number of Non-Key professional staff, translators (with knowledge of technical terminology) and administrative personnel.
- Without the consent of RDF, no changes shall be made in the resources deployed on the Project.

## VII. Reporting Requirements

The PMC shall submit the following reports:

- **Inception Report (for each section separately):** to be submitted within thirty days after the date of commencing the services. The Inception Report shall specify the detailed methodology, organisation, staffing schedule and the inputs required to deliver the services.
- **Monthly progress reports (for each section separately):** to be submitted by the 15th day of the following month. Problems encountered or anticipated will be clearly stated, together with actions to be taken or recommendations on remedial measures for correction. Also indicates the work to be performed during the coming month.
- **Quarterly Progress Report (for each section separately):** to be submitted by the 15th day of the month on a quarterly basis. The quarterly progress report should describe all activities and progress for the reporting period (quarter), including analysis of physical and financial progress for each component; problems encountered or anticipated will be clearly stated together with actions to be taken or recommendations on remedial measures for correction including compilation of Back-to-Office-Report (BTORs, photographs, communication made to RDF by various letters etc.) Also indicates the work to be performed during the following quarter.
- **Quarterly E&S Reports (for each section separately):** to be submitted by the 15th day of the month on a quarterly basis during construction. The quarterly E&S report should describe ESAP progress and the E&S performance for the reporting period (quarter), including results of environmental baselines and monitoring, unanticipated impacts and design changes which require preparation of environmental assessments, due diligence reports, implementation of the ESMS, SEMSPS, CHMP, BAP and any non-compliances, respective corrective measures, etc.
- **Semi-annual E&S Reports (for each section separately):** to be submitted following signing of the loan agreement until the construction starts on a 6-month basis. The semi-annual E&S report should describe ESAP progress, the E&S performance, implementation of the ESMS, etc.
- **Back to Office Reports (for each section separately):** to be submitted to report the findings from every site visit conducted by PMC specialists. The report shall be submitted within 7 days from the date of return to the office from the field.

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<sup>17</sup> Responsibilities are outlined in general terms.

- **Labor Audit Reports (for each section separately):** First audit report to be submitted once the main workforce has been mobilized to the site, whereas second audit report should be submitted during the peak of the construction season.
- **Biodiversity Action Plan (BAP) Update and Biodiversity Offset Management Plan (BOMP) (for each section separately):** BAP to be submitted following the completion of biodiversity preconstruction surveys, as defined in ESAP. BOMP: to be prepared and submitted following the completion of biodiversity preconstruction surveys and BAP Update, as defined in project ESAP.
- **Final Report (for each section separately):** to be submitted within thirty days upon completion of the services containing the main lessons learnt from the assignment.

The PMC will prepare the above-mentioned reports in English and Armenian languages and submit them in the number of copies indicated below to RDF. The form and content of each report should be agreed with RDF. All reports submitted must have signatures of the author, checker and approver, with seals of the PMC firm. For each report submitted an electronic copy will be provided. Electronic copies will be in the form used in their preparation with all links, formulas, and fields active. When software that is internationally “non-standard” has been used, the PMC will provide, at its own cost, two fully licensed copies of this software. For all reports an executive summary will be included. All reports must contain an Executive Summary detailing the major events, and findings.

No	Deliverable	Number of copies
1	Inception Report (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
2	Monthly progress reports (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
3	Quarterly Progress Report (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian

4	Quarterly and Semi-annual E&S Reports (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
5	Back to Office Reports (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
6	Labor Audit Reports (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
7	Biodiversity Action Plan (BAP) Update and Biodiversity Offset Management Plan (BOMP) (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian
8	Final Report (for each section separately)	2 printed and 1 electronic copy in English, 1 printed and 1 electronic copy in Armenian

## VIII. Location and Duration of the Services

- The PMC is required to arrange and pay for appropriate office and living accommodation, international and local travel expenses, vehicles and all other transport of his staff, equipment, supplies, surveys, investigations, testing, telecom equipment and services and consumables, secretarial / translation services and all other input required for the purpose of the assignment's proper deliveries. The corresponding costs should be provided in the Consultant's Financial proposal.
- The PMC will be based in Yerevan, the capital of Armenia, but should allow in his proposal for regular site visits. PMC should provide at their own all the logistics, consumables, furniture, furnishes, Computers, Laptops (including software/other associated peripherals), equipment, and accommodation, etc. required for providing services smoothly and the PMC shall make the provision in their financial proposals accordingly. After completion of the services the PMC will hand over to the RDF all equipment and furniture purchased under the assignment. All inputs are considered to be costed and included in the Technical and Financial Proposals.

The duration of services will be for six years from the date of receiving by the PMC official Letter of Commence from the RDF and may be extended if required by the RDF. Any extension of services will be subject to the performance of the PMC.

#### **IX. Type of Contract with PMC**

- Services provided by the PMC will be paid on the Time-based basis.
- A Time-based Contract (hereafter: PMC Contract) will be signed with the PMC in the format specified in the RFP.
- The terms and special conditions of the PMC Contract will be determined by the Special Conditions of Contract.



## **Annex 1. Scope of Work for Labor Audit**

### **I. Overview**

This Terms of Reference (ToR) outlines the activities to be conducted by a labour assessor on behalf of RDF in relation to the Sisian – Kajaran Road Project.

Based on an [initial assessment of labour risks / identified issues on Project], a more detailed assessment of labour and conditions on [Project] is necessary to provide assurance that the contractors and subcontractors are complying with the labour rights requirements defined in project contracts and policies. The assessment should cover all different type of workers present as part of the project, including full time, temporary, daily, and contractors employed on site, focusing specifically on potential labour risks for construction projects (among others: forced labour, gender-based violence and harassment (GBVH), discrimination, occupational health and safety (OHS), worker grievance mechanisms, worker accommodation, and employment terms and conditions).

### **II. Objectives**

The overall objective of the Assignment is to assess the capacity of the Contractor and its subcontractors to manage labour risks on [Project] in line with international and national law, and the specific requirements of EBRD Performance Requirement 2. Where gaps in practice and non-compliance are identified, specific time bound recommendations should be made to mitigate risks.

The specific objectives are to assist [Client]:

- To obtain an understanding of current and potential labour risks posed by the project activities (including any high-risk contextual issues, as well as complaints, disputes and industrial conflict).
- To assess whether the human resources and health and safety policies, practices and management systems of both Contractor and sub-contractors applicable to the project can adequately manage identified risks.
- To assess how the human resources policies and management systems apply across the contracting chain, i.e. all (sub-)contractors.
- To identify any business environment and / or regulatory reforms which may have led or are anticipated to lead to organizational change which may impact the workforce of the contractor / sub-contractors, including prospects for demobilization or retrenchment.
- To evaluate the capacity of the Contractor(s) and its sub-contractor(s) to comply with [Project] requirements on labour and conditions, occupational health and safety and accommodation.
- To prescribe a set of mitigation, management and monitoring measures to address the root causes of actual or potential labour issues, including a timeframe for such measures and advice on prioritization.

### **III. Scope of Work**

#### **Activity 1: Desk-based scoping and review**

In advance of the site visit, undertake the following desk-based reviews:

- Undertake legal review to understand the extent to which national labour law is aligned with relevant aspects of the EBRD's Performance Requirement 2 (Labour and Working Conditions) and International Labour Organization (ILO) Core Conventions.
- Conduct a desk based review of: (i) media coverage on labour issues related to the project, contractors, sector and country with consideration of breaches of national

law/international labour standards; (ii) any existing labour assessments; (iii) existing litigations, labour unrest or government fines due to non-compliance with national labour law; (iv) fatalities and major incidents and accidents; (v) existing programs related to the workforce, contractors and suppliers.

- Review [Project] documentation related to labour management and contractor management, including any policies or procedures.
- Send [Contractor] an information request in advance of the assessment. See Component A of Appendix 3. This should be as soon as the assignment has started and should focus on data and sites included in the scope of the assessment. Analyse responses received from the contractor for an overview of the likely management systems and resources in place and for additional information on workers and contractors.
- Prepare and submit a proposed work plan for the on-site visit and assessment.

## Activity 2: Client visit and assessment

Undertake a [X] day assessment at the project site (and any other relevant worksite within scope). [Use the guidance from Table 1 below to determine the length of the visit. This guidance is based on the time taken based on the number of workers per work site.]

Table 1. Guidance for determining assessment days

Assessor days	No of workers	Individual interviews	Group interviews	Total employees interviewed	Worker files/records checked	Time for worker interviews
1	1-100	6	1 group of 4	10	10	2.5 hrs
2	101-500	6	4 groups of 5	26	26	6 hrs
3	501-1000	12	6 groups of 5	42	42	8.5 hrs
4	1001-2000	20	8 groups of 4	52	52	12.5 hrs
5	2000+	22	8 groups of 5	62	62	14 hrs

The assessment will focus on the management capacity and systems in place to ensure that employment is in line with labour standards defined within the project documents, and national and international standards. [Where there are sub-contractors being used on the project] Specific attention will be paid to the adequacy of the procurement framework used by the contractor (including additional particular conditions) against international good practice to ensure cascading of project requirements through the contracting chain, and as well as ongoing monitoring of - and reporting on – labour performance.

This review should check that client contractual provisions include specific clauses that reflect PR2 requirements and that these are also included in contracts between contractors and subcontractors.

The visit and assessment will be comprised of the following:

- Interviews with relevant management representatives, including, where applicable, the lead contractors' management of human resources, health and safety, medical, security, and procurement.
- Interviews with human resources, security, medical and health and safety management representatives of sub-contractors, labour agents or representatives, or equivalent.
- Management interviews should cover:
  - Management awareness and commitment to labour requirements, specifically related to non-employee workers
  - Management awareness of responsibilities and communication channels across contracting chain in relation to OHS, human resources, and grievance management, including GBVH

- internal capacity to implement and comply with labour requirements; see Component A in Appendix 3 for more detail.
- Review of contractors and sub-contractor documentation to validate compliance with project requirements, national legislation and EBRD PR2.
- A post-assessment meeting to review findings, obtain the contractor's (and of other assessed parties) acknowledgment of the identified issues and begin discussions about potential actions and next steps to address them.
- Where work is already underway [keep in / remove as necessary]:
- Interviews with workers and worker representatives (where applicable), using a methodology in line with that set out in Component B of Appendix 3.
- A site walkthrough and inspection of general working conditions.
- A walk-through and inspection of worker accommodation (where applicable) according to EBRD/IFC Guidelines on worker accommodation, including a focus on free movement and the use of security.[1]

### **Activity 3: Suggested mitigation and management measures**

The assessor will provide concrete, time bound recommendations for the contractor [and client] to mitigate identified risks and cases of non-compliance (see suggested format in Appendix 1). Mitigation and management measures should be designed to achieve compliance with PR2.

Recommendations should include assessment of the impact on (all types of) workers, their income and working conditions.

[Where possible, these should be developed collaboratively between the client and the contractor.]

### **Deliverables**

Final report shall be submitted within [2] weeks of receiving [Client's] comments to the draft version.

### **Reporting**

This report should provide sufficient information to inform [Client] on the key labour and working conditions risks on [Project] along with suggestions on how to address these. It should include:

- Executive summary, including summary of key findings and recommendations.
- Brief description of the workplace assessment, scope of work, approach and methodology.
- Results of desk review, including media search, relevant business environment changes and / or regulatory reforms which may impact the contractor's HR and OHS management systems, previous labour inspections / assessment reports (e.g. SA8000 / ISO 26000), summary of outstanding complaints against the contractor.
- Overview of the total Project workforce, including sex-disaggregated workforce data, lists of (sub-) contractors, labour intermediaries, labour only contractors, day labourers and migrant workers within scope of PR2, turnover rates.
- Overview of the structure and the use and outcomes of any worker grievance mechanism, including responsibilities, scope, measures to protect confidentiality etc.
- Findings regarding management of non-employee workers, worker accommodation, and occupational health and safety risks, along with any findings of non-compliance.
- Recommendations.

- Annexes: List of documents reviewed; list of management meetings, interviews, focus group discussions; checklists and questions/questionnaires used; key workforce statistics and HR data; Pictures/Visual Record (where applicable).

## Appendix 1: Suggested format

PR2 / PR4 Issue	Risk rating (high/medium/low)[2]	Policies and procedures	Key risks identified	Recommendations	Agreed corrective measures	Responsibility	Timing
Human Resources Policies							
Working Relationships							
Child Labour							
Forced Labour							
Non-discrimination and Equal Opportunity (including Gender-based violence and harassment)							
Workers' Organisations							
Wages, Benefits and Conditions of Work							
Worker Accommodation							
Grievance mechanism							
Non-Employee Workers							
Occupational Health and Safety							

## Appendix 2: Suggested risk rating criteria

Risk rating in Appendix 1 can be undertaken using the below criteria.

Risk rating	Definition	Examples
Low risk	Client, contractors and subcontractors have adopted policies consistent with the principles of PR2 and have either developed systems - or can demonstrate concrete steps taken towards – implementing the policies. No suspected, reported or observed breaches.	<ul style="list-style-type: none"> <li>• The EBRD's Performance Requirement 2 (Labor and Working Conditions) are generally being implemented and the specific labour component of the CMP is being managed appropriately.</li> <li>• There is a good understanding of the issues and risk based on the information obtained through internal management.</li> <li>• Where additional monitoring data and/or mitigation measures are required, these are likely to be easily implemented without significant additional effort or resources.</li> </ul>
Medium risk	Isolated, occasional or passive breach of principles of PR2 and / or national legal requirements, often linked to lack of policy or misunderstanding	<p>Labor practices are resulting in or is likely to result in adverse impacts to workers, and/or difficulty in meeting [Client] or EBRD requirements. The reasons include some or all of the following:</p> <ul style="list-style-type: none"> <li>• There are inadequate policies and procedures in place to manage PR2 risks – including absence of worker grievance mechanism accessible to workers on site.</li> <li>• There is a lack of understanding of the issues and impacts and further internal measures are required to support effective mitigation of risks.</li> </ul>
High risk	Severe, material or systematic breach of principles of PR2 and / or national legal requirements, implying harm to workers	<p>Labor are resulting in negative impacts or likely negative impacts to workers that is considered unacceptable or creates significant reputational risk for the [Client]. The reasons include some or all of the following:</p> <ul style="list-style-type: none"> <li>• Ineffective or no mitigation, remediation management and internal monitoring measures are being implemented to address impacts and risks and implement corrective actions.</li> <li>• There are notable capacity constraints evident in terms of the number/roles of management staff, and training is urgently needed.</li> <li>• Additional resources, support and oversight is required to more effectively address high-risk issues and impact.</li> </ul>

### **Appendix 3: Suggested Components for Labor Assessments**

The components below provide a structure of how various components of a labour assessment should be carried out.

#### **Component A: Legal and workforce analysis**

Review of national law and regulations against PR2 requirements and provide an explicit comparison.

Review relevant laws, regulations and agreements that impact directly on the project workforce, including:

- selection, hiring (including minimum age of hiring) and firing
- training and promotion
- wages (including deductions) and benefits
- working hours and overtime
- employment of migrant workers
- trade unions and collective bargaining
- rules relating to retrenchment / collective dismissals
- requirements related to occupational health and safety and worker accommodation

Conduct an analysis of current (or anticipated) staff levels and main characteristics of the workforce. This should be disaggregated by sex.

- number of workers (direct and contracted workers)
- number of workers by category (permanent, semi-permanent, seasonal, temporary, part-time, probationer, apprentice, or others as appropriate)
- number of migrant workers
- average age of workers
- average years working at the company
- staff turnover rate from previous year
- number of workers subscribed to unions
- number of grievances per month
- region of origin or registration (if appropriate)
- level of education achieved
- grade and pay scale

#### **Component B: Evaluate management systems**

A review of management systems is central to understanding a Contractor and Sub-Contractor's capacities to manage labour issues and implement labour requirements, including the following:

- Assessment of organizational capacity to manage labour and working conditions issues.
- Review of policies, procedures and monitoring systems related to human resources, OHS, GBVH and contractor management.
- Evaluation of procurement documentation including bidding documents, evaluation and selection criteria and service agreements used by the contractor with its sub-contractors.
- Where possible, review of the quality of human resources records of the contractors or subcontractors that are employing workers on the project. This should be done through an assessment of:
  - A random sample of payroll records, worker contracts, and pay slips.
  - A review of any computerized human resources system, including evidence of any data entry validation procedures and standard reporting outputs.

- Interviews with managers responsible for the implementing and monitoring human resources, OHS and contractor management procedures.
- Review of policies and mechanisms in place for [the Contractor(s)] to handle grievances in line with EBRD PR2 requirements. This should verify that the mechanism in place is transparent, impartial and confidential; that staff and management are informed and aware; that worker concerns are addressed promptly; that records are kept; that the mechanism is sensitive to the needs of workers, including vulnerable groups; and that the mechanism does not replace other channels as defined by law or collective agreements.

### **Component C: Worker interviews**

Workers' interviews should be conducted in line with known assessment standards (e.g. SA8000 or equivalent). [Details on the SA8000 standard and required audit procedures can be found here]

Worker interviews should be primarily focused on workers within lower levels of wage distribution (i.e. non-managerial). These can be conducted individually or in groups (selection should be made as per the guidance from Table 1 above).

Interviewees should be selected at random by the assessment team and should cover a sufficiently representative sample of the workforce (as indicated in Table 1 above).

Ensure workers are protected against retaliation. Interviews should be carried out in location away from management where they feel comfortable. Management and supervisors may not attend these interviews. Information obtained from worker interviews should not be reported to management in a way that the worker may be identified.

Workers should be asked about key labour issues from their perspective, covering the entire employment cycle from how they found the job, were recruited, their terms and conditions of employment and life after they leave the job.

In the event of child or forced labour being identified, the assessor should follow [Client's] defined safeguarding policies.

[1] IFC EBRD Worker Accommodation Guidance: [www.ebrd.com/downloads/about/sustainability/Workers\\_accommodation.pdf](http://www.ebrd.com/downloads/about/sustainability/Workers_accommodation.pdf)

[2] See Appendix 2.