

## Information Summary for the Public

Host Country:	Armenia
Name of Borrower:	“Armenia” Hotel Complex CJSC
Project Description:	Expansion of Armenia Marriott Hotel and refinancing the remaining balance of loans used to develop the hotel in 2001.
Proposed OPIC Loan:	\$6,755,000 (14 year term)
Total Project Costs:	\$7,882,500
Sponsors:	AK Development LLC; HAIG LLC
<b>Policy Review</b>	
U.S. Economic Impact:	The Project is not expected to have a negative impact on the U.S. economy or employment. There is some initial and operational U.S. procurement associated with this Project, which is expected to have a positive impact on U.S. employment. The Project will have a net negative impact due to the five-year U.S. payment balance.
Developmental Effects:	This Project will have a positive developmental impact on Armenia because it provides support for a hotel complex in Yerevan. Employees are provided with various benefits that exceed local requirements, and the Project is expected to contribute to employment, training, quality management practices, and host country fiscal benefits.
Environment:	<p><i>Screening:</i> The Project has been reviewed against OPIC’s categorical prohibitions and has been determined to be categorically eligible. Projects involving construction and renovation of hotels are screened as Category B projects under OPIC’s environmental and social guidelines because impacts are site-specific and readily mitigated. In addition to typical impacts from construction activities, the primary environmental and social issues associated with the Project include the need for appropriate occupational and safety measures and adequate solid (construction) waste disposal.</p> <p><i>Applicable Standards:</i> OPIC’s environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following Performance Standards:</p> <p>P.S. 1: Social and Environmental Assessment and Management Systems;  P.S. 2: Labor and Working Conditions;</p>

	<p>P.S. 3: Pollution Prevention and Abatement; and  P.S. 4: Community Health, Safety and Security.</p> <p>The Project will be required to meet applicable provisions of the International Finance Corporation’s (“IFC”) General Environmental Health and Safety Guidelines.</p> <p><i>Environmental and Social Risks and Mitigation:</i> The Project involves interior renovation of an existing building in a commercial area. Because the areas of the building to be renovated are vacant, little demolition is required and no hazardous substances are present in these areas. The building is not classified as an historic property and no zoning variances are required.</p> <p>Current utility capacity will be sufficient to support the hotel expansion. No direct greenhouse gas emissions are anticipated. The renovation works include the installation of fire and life safety systems that meet international standards. The Project has management systems in place that are sufficient to address identified risks.</p>
Workers Rights:	<p>OPIC’s statutorily required standard worker rights language will be supplemented with provisions concerning the rights of association, organization and collective bargaining, minimum age for employment, hours of work, the timely payment of wages and hazardous work situations. Standard and supplemental contract language will be applied to all workers of the Project. The Project will be required to operate in a manner consistent with the IFC’s Performance Standard 2 on Labor and Working Conditions.</p>
Human Rights:	<p>OPIC issued a Human Rights Clearance for the Project on November 7, 2012.</p>