Chapter 14 Overall Project Assessment
TABLE OF CONTENTS

14 OVERALL PROJECT ASSESSMENT .......................................................... 14-1
14.1 Introduction ...................................................................................... 14-1
14.2 Development of the ESIA ................................................................. 14-1
  14.2.1 Adopted Process ........................................................................... 14-1
  14.2.2 Challenges Faced by ESIA Process .............................................. 14-1
14.3 Issues Arising from Environmental and Social Assessment .......... 14-2
  14.3.1 Identified Issues ........................................................................... 14-2
  14.3.2 Secondary and Indirect Impacts .................................................... 14-3
  14.3.3 In-combination Impacts .............................................................. 14-3
  14.3.4 Unplanned Events ....................................................................... 14-4
  14.3.5 Issues Requiring Finalisation ....................................................... 14-4
  14.3.6 Other Key Issues of the ESIA Addendum ................................... 14-4
14.4 Project Assessment Statement for Project Design Updates .......... 14-5

Tables
Table 14-1: Summary of Key Residual Impacts – Construction .......... 14-2
Table 14-2: Summary of Key Residual Impacts – Operation ............... 14-3
14 OVERALL PROJECT ASSESSMENT

14.1 Introduction

The ESIA Addendum presents the results of an environmental and social impact assessment of the proposed Project design updates in Georgia. A further ESIA Addendum has been prepared that assesses the impacts of the Project design updates as they relate to the Azerbaijan section of the SCPX pipeline.

The ESIA Addendum has been prepared following agreement with the Government of Georgia and in line with the following commitment made in the SCPX Final ESIA:

- An environmental and social assessment report will be prepared by the Project if any additional land outside that described in the ESIA is to be used, the scale of which will depend on the proposed activities and sensitivities of the area (39-03).

14.2 Development of the ESIA

14.2.1 Adopted Process

The same process of environmental and social impact assessment (ESIA) has been undertaken for the ESIA Addendum as that used to prepare the SCPX Final ESIA, as summarised briefly below.

- The ESIA Addendum has been undertaken and reported in line with current international practice and the relevant provisions of the host government agreement (HGA), which requires the ESIA approach to be in accordance with EC Directive requirements (85/337/EEC, as amended by EC Directive 97/11/EC)
- The ESIA Addendum has been undertaken and reported as an independent and objective process by RSK who have continued to work closely with Dzelkva and ACT, two specialist Georgian consultancies, national and international cultural heritage and resettlement experts
- Further stakeholder consultation has been undertaken for the ESIA Addendum at national and local level and the original draft ESIA Addendum was subject to the same process of public consultation and disclosure as the SCPX Final ESIA. This amended draft ESIA Addendum will also be disclosed to affected PACs as described in Chapter 9, Section 9.7
- A Commitments Register (Appendix E) has been compiled for the ESIA Addendum which provides a definitive list of the new commitments or changes to existing commitments (mitigation measures) that have been identified as a result of the assessment of impacts of the Project design updates
- The Environmental and Social Management and Monitoring Plan (ESMMP), which will be included as contractual requirements in the terms of reference issued to bidders for the various construction contracts for the Project, will be revised as shown in Appendix D to include the new and revised commitments.

14.2.2 Challenges Faced by ESIA Process

Preparation of the ESIA Addendum has, to a limited extent, encountered the same challenges as described in Section 14.2.2 of the SCPX Final ESIA, which should be referred to for more information. In particular the ESIA Addendum both reflects, and is affected by the evolving detailed design process.
14.3 Issues Arising from Environmental and Social Assessment

14.3.1 Identified Issues

The ESIA Addendum has methodically undergone a process of identification of all potential impacts associated with the Project design updates and assessment of their significance using the same set of structured set of criteria used in the SCPX Final ESIA. All residual impacts and benefits have been identified and summarised to assist decision makers in forming a view of the relative attributes of the Project. These residual impacts are summarised in Table 14-1 for the construction phase and Table 14-2 for the operation phase.

Table 14-1: Summary of Key Residual Impacts – Construction

<table>
<thead>
<tr>
<th>Higher Significance Residual Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community safety</strong></td>
</tr>
<tr>
<td>• Communities will be exposed to an increased risk of injury because the volume of road traffic will increase and because the construction sites will have hazards such as deep excavations and trenches.</td>
</tr>
<tr>
<td><strong>Noise and vibration</strong></td>
</tr>
<tr>
<td>• A few workers (approximately three) who use a summerhouse near PRMS KP1.5 as temporary accommodation will be exposed to a temporary increase in noise during construction. However, it should be noted that the assessment criteria used (which are based on BS 5228, see Chapter 3, Section 3.9.6) are not strictly applicable to noise effects lasting less than one month. The impacts of increased noise should therefore be less than suggested by the significance category, but the category has been retained for the purposes of directing particular attention to the implementation of the proposed mitigation measures at this location.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Medium Significance Residual Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Soils and ground conditions</strong></td>
</tr>
<tr>
<td>• Spillage of oil, chemicals or hazardous waste would change the ability of affected soil to support vegetation.</td>
</tr>
<tr>
<td><strong>Noise and vibration</strong></td>
</tr>
<tr>
<td>• Potential for noise during construction to cause disturbance at Khaishi village and residents of houses north of KP59</td>
</tr>
<tr>
<td>• Potential for disturbance of residents nearest to the block valve and the pigging station during commissioning – however, this will only last a few days. As described above, the assessment criteria used (BS5228) is not strictly applicable to such short term disturbance but the category has been retained for the purposes of directing particular attention to the implementation of the proposed mitigation measures.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community health</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The public may be exposed to potentially hazardous materials in the event of an accidental spill.</td>
</tr>
<tr>
<td>• The public will have increased exposure to disease (e.g. sanitation and waste-related disease, non-communicable diseases and sexually transmitted infections).</td>
</tr>
<tr>
<td>• There is the potential for tension between security personnel and community members.</td>
</tr>
<tr>
<td>• Delays in transfer of a patient to a medical facility due to Project restrictions to access could lead to a deterioration in patient conditions.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment, skills and livelihoods</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The Project is likely to cause resentment of inequalities between local people who are employed by the Project and those whose applications were unsuccessful, and of inequalities in pay and conditions between local workers and foreign workers.</td>
</tr>
<tr>
<td>• At stages of the Project, particularly on completion of construction, jobs will be lost due to retrenchment.</td>
</tr>
<tr>
<td>• The Project may cause tensions resulting from cultural differences, anti-social behaviour of construction workforce, potential prostitution and attraction of ‘hangers on’ at camp sites</td>
</tr>
</tbody>
</table>
Infrastructure and services
- Accidental damage of third-party infrastructure that could result in temporary loss or restriction of supply to other consumers is likely.
- The volume of heavy loads may cause damage to roads at the PRMS and the additional western section of pipeline.

Traffic and transport
- Significant increases in traffic are likely on the local road network around the PRMS and the additional western section of pipeline.

Beneficial Impacts
Land contamination clearance
- Cleanup and disposal of fly-tipped waste to an appropriate licensed facility will reduce the risk of mobilising contaminants into the surrounding environment and also reduce the risk of injury or disease to community members and construction personnel.

Cultural heritage
- Increased understanding of local archaeology as a result of the ongoing programme of cultural heritage evaluation.
- Increased understanding of local archaeology following excavation and recording of any sites found during construction (by implementation of the late finds protocol) will be beneficial.

Demographics
- Improving the availability of employment is likely to reduce out-migration and therefore potential local population declines.

Employment, skills and livelihoods
- The Project will enhance skills among the local workforce.
- Improving the income from employment is likely to increase sales for local businesses and those involved full/part time in ‘cottage’ industries.

The medium significance residual impacts from the operation phase of the Project are summarised in Table 14-2.

<table>
<thead>
<tr>
<th>Beneficial Residual Impacts</th>
<th>Employment, skills and livelihoods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small-scale to long-term employment will bring some social benefits.</td>
<td>The revenues generated by the overall SCPX pipeline will be beneficial for the national economy.</td>
</tr>
</tbody>
</table>

14.3.2 Secondary and Indirect Impacts
Secondary and indirect impact assessment has been undertaken for the ESIA Addendum. The same potential secondary impacts have been identified as described in Section 14.3.2 of the SCPX Final ESIA, which should be referred to for this information.

14.3.3 In-combination Impacts
There is potential for in-combination impacts of low significance during the construction phase due to the combined effects of construction noise, dust and traffic on the houses north of KP59, the residents of Khaishi and noise, dust and visual impacts on the residents of the summerhouse at PRMS KP1.5.

Given the temporary nature of construction works, and the fact that works along the pipeline ROW will progress in a linear manner, any such effects are expected to be short term, the significance of which will vary depending on the timing, extent and nature of operations undertaken and the effectiveness of the mitigation employed.

Landowners and tenants of affected landholdings may be subject to a combination of localised disruption to their current agricultural regimes as a result of construction works.
During the operational phase, in-combination effects are likely to be of low significance.

14.3.4 Unplanned Events

Chapter 12 discussed the features of the Project’s design that will reduce the likelihood of unplanned events occurring, and the operational controls, such as emergency response measures, that are proposed to limit the duration of an unplanned event or limit the area that it affects. The noise and community safety issue from an incident on the additional sections of pipeline – as for the rest of the SCPX pipeline – is assessed as having high significance. However, the likelihood of this type of event occurring is considered extremely low and hence has a medium level of residual risk. Other types of impact were assessed as having low residual risk.

14.3.5 Issues Requiring Finalisation

Similar activities, mainly construction related, that are listed in Section 14.3.5 of the SCPX Final ESIA remain to be fully defined at this stage. These include:

- Final waste quantities and types
- Sourcing of aggregates and other construction material
- Location of temporary access roads.

This section of the SCPX Final ESIA should be referred to for more information.

14.3.6 Other Key Issues of the ESIA Addendum

Cultural heritage

Construction methodology has been adapted to incorporate mitigation measures associated with the potential impacts on cultural heritage on the additional western section of pipeline including:

- Phase 2 cultural heritage evaluations will be carried out at cultural heritage site BPGA15 Orchosani, and sites which are found to be significant will be subject to data recovery studies if impact minimisation using modified construction techniques (for example building up or protecting the running track with bog mats or geotextile and fill) is not considered practicable by the Company. Consultation on modified construction measures will be undertaken prior to construction with relevant national heritage institutions (X10-17).
- Consultation will be undertaken with relevant national heritage institutions and local authorities with respect to the modern Meskhetian Turkish cemetery (BPGA 15, IV-214) and trenchless crossing or other modified construction techniques will be used where practicable to avoid impacting the cemetery (X10-18).

Cumulative and transboundary impacts

The assessment of cumulative impacts in Chapter 11 has identified those areas where synergistic effects may arise from concurrent development with the proposed Project design updates. A project has been identified that may lead to very localised cumulative impacts along the additional eastern section of pipeline. There is also potential for localised cumulative impacts, on the additional western section of pipeline, with the TANAP project. As noise, visual, dust and ecological impacts associated with the TANAP and SCPX projects may extend for a few hundred metres, there is potential for there to be impacts on the Turkish village of Turkgozu. Taking into account the temporary nature of the impacts limited to the construction phase of the SCPX Project, as well as previous experience from construction of the SCP and BTC pipelines, the significance of the transboundary impacts is considered low.
The Project will endeavour to engage the developers concerned to work with them to minimise any identified cumulative impacts.

14.4 Project Assessment Statement for Project Design Updates

The ESIA Addendum has systematically and comprehensively examined all identified aspects of the Project with the potential to give rise to environmental or social impacts.

There are a number of residual impacts relating to construction of the pipeline, although by careful management (and in certain cases further studies to remove or reduce current uncertainty regarding their sensitivity) and the implementation of the various mitigation measures set out in this report, these residual impacts will be managed.