

ENPI 2011 / 264 459

Logistics Processes and Motorways of the Sea II

Project Fact Sheets

ARMENIA

November 2012



This project is funded by
the European Union



A project implemented by
Egis International / Dornier Consulting



TABLE OF CONTENTS

1 ILC AT ZVARTNOTS INTERNATIONAL AIRPORT 2

LIST OF FIGURES

Figure 1: ILC at Zvartnots International Airport Location 3



1 ILC AT ZVARTNOTS INTERNATIONAL AIRPORT

Region:	Caucasus
Country:	Armenia
Location:	Zvartnots International Airport
Area:	36 ha
Mode	Multimodal (Road/Rail/Air)
Investment Volume:	EUR 24,4 million
Project Status:	Under development

Applicant, Sponsor, Beneficiary, Promoter

Ministry of Transport of Transport and Communication of the Republic of Armenia

Argentinean Company Corporacion America

Armenia International Airports CJSC

Geographical Description

The Zvartnots International Airport site is located about 12 km to the south-west of Yerevan city centre, adjacent to the Airport (about 300 meter). The nearest city road is 1.5 km away and the direct distance to the railway main line is approximately 1.3 km, thus giving opportunities for easy connections of the site.

The proposed ILC at the Zvartnots International Airport will be developed to a competitive logistics site as integrative part of the TRACECA network. The site will offer several logistics functions and well developed land plots with an excellent infrastructure and facilities for logistics service providers and logistics intensive industries.

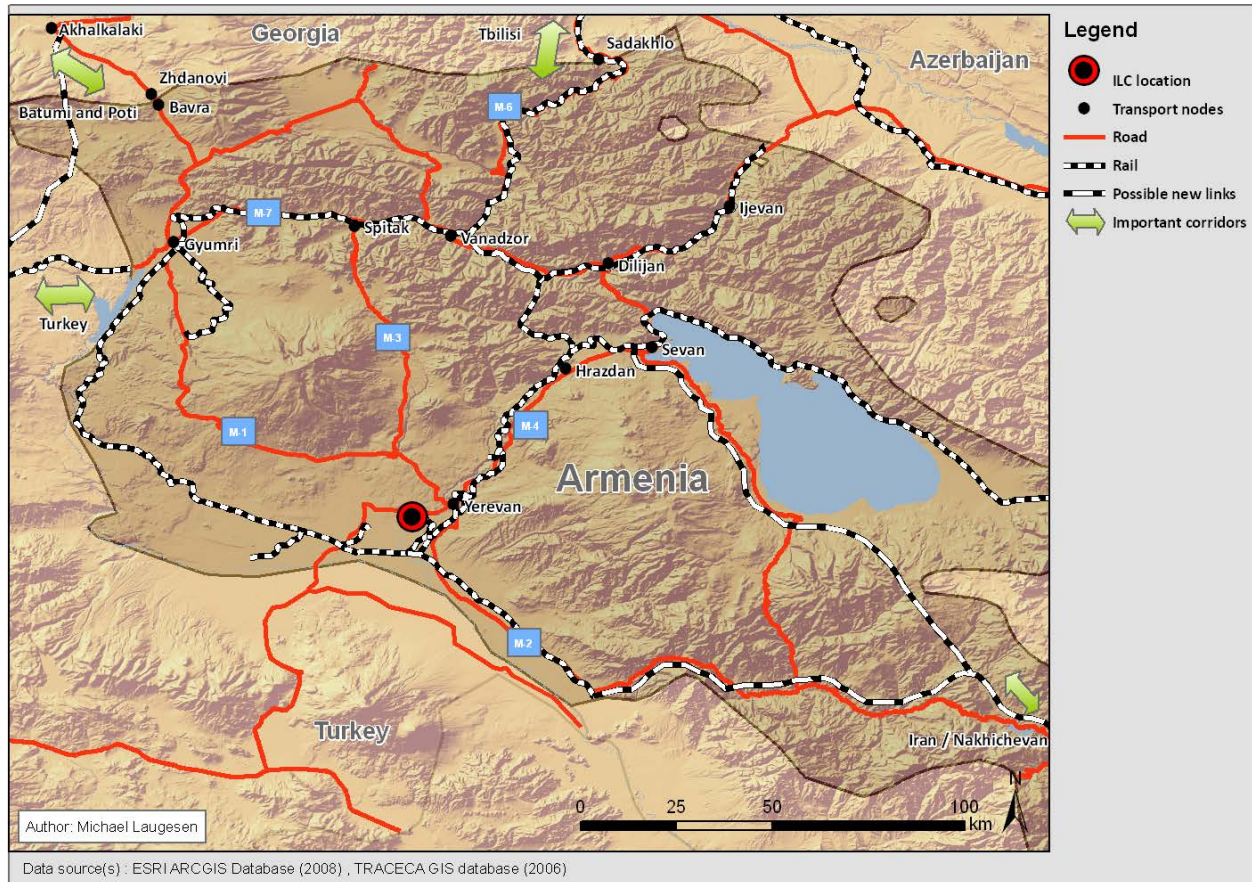
The general potential for the ILC in Yerevan lies in the development of more diversified export products (including food processing based on domestic agriculture), and the development of foreign trade relations with Georgia, Turkey and Iran.

The identified needs and site requirements of potential private sector stakeholder and partners are the following:

- New capable and well accessible road access from/to main TRACECA road M4 (Yerevan –Sevan – Dilijan – Ijevan - Tbilisi)
- New accessible road access from/to highways M2 (Yerevan - Angarak) to Iranian border and M1 (Yerevan – Ashtarak – Gyumri) to Turkian border and Georgian border
- Direct railway access to TRACECA railway line



Figure 1: ILC at Zvartnots International Airport Location



New market opportunities depends mainly on the opening up of international borders that are now closed to trade, and the completion of transport infrastructure projects linking the South Caucasus region with Turkey and Iran. The time horizon for these developments is uncertain, and Georgia and Azerbaijan are to some extent better placed to exploit them.

Technical Description

There is an urgent need to improve transport and logistics infrastructure and systems in order to:

- Promote and diversify exports, which remain dominated by bulk mineral products despite recent growth of the value of food exports.
- Allow more efficient sourcing and movement of imports, saving foreign exchange and reducing costs to industry and consumers.

An efficient tri-modal logistics facility at Yerevan would facilitate containerisation of suitable cargo – particularly food exports and a wide range of consumer and intermediate imports – and operation of block trains to the Georgian ports and to Russia via Georgia. When the borders with Azerbaijan and Turkey are opened to trade there will be an increased potential for more efficient transportation.

The proposed ILC at ZIA will be developed and upgraded to a highly productive and competitive logistics site as a part of the TRACECA network. The different warehouses and areas for logistics services will be developed under consideration of the requirements of regional and



international stakeholders. Three functional areas for “logistics services“, “container terminal“ and “logistics-intensive industries and trade“ have been delineated. The functional area “logistics services” will be developed with its focus on transport, handling and storage facilities for logistics providers and operators (like warehousing, distribution centres, etc.). The functional area “container terminal“ will include a combined transshipment module for the rail-road handling of containers, semi-trailers and swap bodies as well as project cargo. A container service centre with container depot, customs clearance, container packing, container repair and cleaning will be established. Finally the functional area “logistics intensive industries and trade” will be developed with its focus on the settlement of logistics intensive industrial companies (like food processing companies or agricultural machinery, aviation and automotive industries) and commercial enterprises (distribution centres for retailers).

Source of Repayment

Budget + revenue in the form of rent paid for land, buildings and other infrastructure and superstructure that the investors install and finally revenue from providing a range of auxillary services to tenants and users.

Related Investments

The World Bank has earmarked US\$100M for the Life Line project to develop roads linking rural areas to main transport arterials; and has another US\$60M available for allocation at the request of the Government.

Other Involved Parties

ADB, DEG, EBRD and WB

Contact Details

Mr. Gagik Grigoryan
National Secretary of IGC TRACECA in Armenia
P.O. Box 69
28, Nalbandyan Str.,
Yerevan, 0010, Armenia
Tel.: +37410 59 00 09
E-mail: traceca.ncommission@gmail.com