

Environmental and Social Monitoring Report

Project Number: 50146-001
Annual Report (January-December 2020)
December 2020

Armenia: Distribution Network Rehabilitation, Efficiency Improvement, and Augmentation

Prepared by Electric Networks of Armenia CJSC for the Asian Development Bank.

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January –
December 2020



ANNUAL SAFEGUARDS AND SOCIAL MONITORING REPORT

ELECTRIC NETWORKS OF ARMENIA

YEREVAN, ARMENIA

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Name of Organization	Electric Networks of Armenia		
Completed by (name):	Mher Manukyan		
Position in organization:	Environmental, Social and occupational health & safety consultant	Date:	
Reporting period	From: January 2020	To: December 2020	

A. Terminology

ADB – Asian Development Bank
 EBRD – European Bank for Reconstruction and Development
 EIA – Environmental Impact assessment
 EMS – Environmental Management System
 ENA – Electric Networks of Armenia CJSC
 ESAP – Environmental and Social action plan
 ESMS – Environmental and Social Management System
 E&S – Environmental and Social
 GNG – Greenhouse Gases
 IFC – International Financial Corporation
 IMS – Integrated Management System based on ISO 9001, ISO 14001, ISO 27001, ISO 45001, ISO 50001 international standards’ and ADB, EBRD environmental and social requirements,
 IP – Indigenous people
 ISO – International Organization for Standardization,
 kV – Kilo volts
 OHS – Occupational health and safety
 PCB – Polychlorinated biphenyl
 ppm – parts per million
 PSRC – Public Services Regulatory Commission of the Republic of Armenia
 RA – Republic of Armenia
 RESA – Rapid Environmental and Social Assessment
 SEP – Stakeholders Engagement Plan
 SS – Substation

B. Summary

ADB Loan No: 50146-001 will allow “Electric Networks of Armenia” CJSC (hereafter ENA) to improve the quality of the distribution network and services of its multi-site operations across the country, reduce electricity losses and operational expenses, improving technical maintenance and safety conditions, modernizing the metering system, rehabilitating, reinforcing, and augmenting the distribution network, connecting new customers and introducing international standards of management and automated control system.

This report presents how ENA managed environmental, social, occupational health and safety issues that occurred or can occur for investment projects funded by ADB.

In April 2020 ENA was passed environmental, social and occupational health & safety systems due diligence by IFC. ESAP developed for ABD and EBRD was taken into consideration and based on due diligence results. IFC presented new separate ESAP for ENA that was taken into consideration as annex for IFC loan agreement.

ENA has developed, approved and implemented all required policies and procedures based on not only ADB, EBRD safeguards requirements on environmental, social, occupational health & safety but also legal requirements and other international management standards’ applicable requirements such as ISO 9001, ISO 14001, ISO 45001 and ISO 50001. At the end of December 2020 hybrid audit was conducted by German TUV Rheinland certification

company. Scope of audit was surveillance of ISO 9001, ISO 14001, ISO 45001 and ISO 50001. The results of audit were positive with several minor nonconformities.

Internal audit team planned to conduct internal audit and assessment of management system effectiveness in April and May months. Unfortunately, due to Covid-19 pandemic and country lockdown (started from March 13 and currently Armenian government is still applying some restrictions till June 11, 2021) situation internal audits were postponed till lockdown ends. In September Internal audit department started audit remotely and not all scope of ENA's activities were covered.

C. Implementation status of the Environmental and Social Action Plan.

Prior to receiving loan ENA had invited specialized company for due diligence. Based on due diligence results ESAP was developed and shared with ENA management. Main aspects of ESAP were:

- Environmental Management System,
- Labor and Working Conditions,
- Resource Efficiency and Pollution Prevention and Control,
- Health and Safety,
- Information Disclosure and Stakeholder Engagement and
- Capacity building in ENA to fulfill above mentioned aspects.

Based on detailed ESAP ENA top management developed internal action plan, assigned responsible staff for each activity. IMS department was responsible for monitoring of action plans through continuous site visits and audits.

The following main actions are implemented during this reporting period:

- Hazardous waste transportation documentation,
- ENA gained from Ministry of Environment 7 waste passports for the generated hazardous wastes
- Armenian version of new SEP was communicated to internal stakeholders for review, approval and after approval will be communicated to external stakeholders
- hazardous waste storage construction has been finished
- Existence of PCB in 1800 transformers were checked based on the contract with ENA and Ministry of environment of RA. Only in 20 transformers PCB was found. These transformers are labeled by red label. Additional samples were taken, from that 20 transformers to identify level of PCB in ppm.
- Final version of HR policy is approved and communicated
- Special software was developed for substations, and related infrastructure's technical passport.

ESAP updated to include all actions implemented and main tasks to be done.

D. Investment Projects/Activities Portfolio Information

During this reporting period there is no new project that ENA started to implement. Only the projects were continued which are started 2 years ago.

Summary Table of Investment Projects/Activities Portfolio Information

#	Project Name	Brief Description	Amount AMD (mln) Planned for 2020	Safeguard category (A, B or C)			Key safeguard concerns / issues	Actions taken to address concerns
				Env	IR	IP		
1	Reconstruction and re-equipment							
1-1	Reconstruction of 0,4 kV distribution networks	Complete reconstruction of 0,4 kV air lines and partially renovation of 0,4 kV land lines	67	C	C	C	None	
1-2	Reconstruction of 6(10) kV distribution networks	Partially renovation of 6(10) kV air lines and land lines	1,020	C	C	C	None	
1-3	Reconstruction of 35 and 110 kV distribution networks	Capital repair of 35-110 kV distribution networks	245	C	C	C	None	
1-4	Reconstruction of industrial buildings and TSS	Renovation and Capital repair of substation buildings	27	B	C	C	None	
1-5	Electric network improvement in multi-apartment buildings	Improvement and renovation of multi-apartment buildings' Electric network	287	C	C	C	None	
1-6	Special projects	Technical projects directed to reduce deviations in voltage.	1,416	C	C	C	None	
2	Investments aimed at enhancement of electricity quality							
2-1	Special projects	Technical projects directed to improve electricity quality.	592	C	C	C	None	
3-1	Connecting new customers to the network	Connecting new customers to the network based on the new consumer order	3,297	C	C	C	None	
3-2	Special projects							
3-2.1	Reconstruction of SS "Purak"35/6 kV	Technical modification of networks and works directed to eliminate deficit of power in the mentioned area	2	B	C	C	None	
3-2.2	Construction of DTSS, reconstruction of YerevanHPP		10	B	C	C	None	
3-4	Purchase of networks from other owners		2					
4	Metering system							
4-1	Acquisition and installation of meter boxes	Replacement of electricity meters by implementing automated system of meters	10	C	C	C	None	
4-2	Replacement of electricity meters		10	C	C	C	None	

#	Project Name	Brief Description	Amount AMD (mln) Planned for 2020	Safeguard category (A, B or C)			Key safeguard concerns / issues	Actions taken to address concerns
				Env	IR	IP		
4-3	Reconstruction of 6(10)/0,4kV SS for Automated Metering System		-	C	C	C	None	
4-4	Automation of electricity metering at 6(10)-0,4kV networks		7,634	C	C	C	None	
4-5	Automation of electricity metering at 0,38/022 kV networks, Yerevan		1,656	C	C	C	None	
5-1	Purchase of office equipment		7	C	C	C	None	
5-2	IT	Development of ENA's IT infrastructure and software	19	C	C	C	None	
5-3	Capital repair of vehicles	Capital repair of vehicles owned by ENA		C	C	C	None	
5-4	Reconstruction of administrative buildings and structures	Reconstruction and improvement of administrative buildings and structures	8	C	C	C	None	
5-5	Purchase of metering and safety devices	Purchase of metering and safety devices	38	C	C	C	None	
5-6	Purchase of testing devices for relay protection	Purchase of testing devices for relay protection	13	C	C	C	None	
5-7	Implementation of ISO system	Implementation of International standards' requirements related to quality, environmental, OHS and energy management systems, including ADB and EDRB requirements	13	C	C	C	None	
5-8	Installation of compressed gas cylinders on vehicles	Installation of compressed gas cylinders on vehicles to reduce energy use	-	C	C	C	None	
5-9	Capital repair of equipment	Capital repair of equipment based on	9	C	C	C	None	

#	Project Name	Brief Description	Amount AMD (mln) Planned for 2020	Safeguard category (A, B or C)			Key safeguard concerns / issues	Actions taken to address concerns
				Env	IR	IP		
		the technical specification						
5-10	Investments aimed at environmental issues	Construction and renovation of oil collectors in 110 kV substation	51	B	C	C	Key issue is a legal requirement	ENA implemented EIA for this project as there are legal requirements on such projects

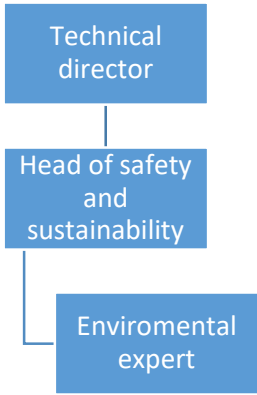
Land requirement for activities/subprojects were either constructed within ENA properties or allocated by respective local governments based on their local development plans with consent from the community. No ENA facilities led to IR and IP impacts per SPS 2009 (SR 2 and 3). The Resettlement Framework prepared and designed for this Project is not applicable for ADB-funded projects, to date.

For 2020 projects financed by ADB and EBRD there is no EIA required.

E. Environmental and Social Management System (ESMS)

Policies & Processes	YES/NO	
<p>Has ENA developed and implemented an ESMS?</p>	<p>Yes</p>	<p>Here is list of some documents that were developed by ENA IMS team with Management Mix support:</p> <ul style="list-style-type: none"> • Integrated Management System policy including ISO 14001, ISO 45001, ISO 50001 and social management requirements • Objectives for Quality, Environmental, Social, Occupational Health & Safety, Information Security and Energy management systems • Grievance mechanism procedure • A new soft and centralized grievance database is in testing stage • Waste management procedure • Hazardous Waste management instructions including management of <ul style="list-style-type: none"> - used oils, - contaminated soil, - used lumps, - used batteries, - waste transportation • Waste management scheme • Environmental and Involuntary resettlement management procedure • Legal requirements procedure • New project design and development procedure • Integrated Management System risk assessment and management procedure • On-site IMS inspection procedure • Contractors Management Procedure • IMS performance monitoring and measurement procedure • Emergency Situation Response and Business Continuity Procedure • Quality, Environmental, Social, Occupational Health & Safety, Information Security risk assessment is implemented and as result the following outcome is reached <ul style="list-style-type: none"> - Quality and Information Security risk register, - Health & Safety hazard register, - Environmental aspect register, - Control and mitigation measures list, - Management Action plan • New purchase policy is developed where mentioned that Environmental manager should be involved in review of all tender documentation packages: mainly technical specification to identify any specific risks requirements that may apply.

		<ul style="list-style-type: none"> • Job description of staff are reviewed and tasks ESMS related are added. • HR policy • Hazardous materials safe management procedure • Traffic and Road Safety instruction • Asbestos containing materials handling work instruction • PPE maintenance and calibration procedure • PPE's calibration plan • Visitors' safety management procedure • Subcontractors' management procedure • OSHA and Environmental incident management procedure • Gas cylinder safety procedure • Hazardous work performing workers' qualification procedure • Hot Work safety procedure • Work in confined space procedure • Fire safety management procedure • Monitoring Procedure • Internal audit procedure
<p>If there is an ESMS already in place, have there been any updates to the ESMS, or policy and procedures adopted by ENA during the reporting period?</p>	<p>Yes</p>	<p>Currently there are around 900 documents in ESMS including different policies, procedures, work instructions, forms, reports, job descriptions, permits. Most of them are updated. Main causes for updates are:</p> <ul style="list-style-type: none"> • Internal audit • External audit (ADB, Tetra Tech, TUV Rheinland): • New project implementation • Changes in laws and regulations • ADB, EBRD requirements <p>There is centralized is document management system which include all 900 documents. Each of these documents have its confidentiality and available to all related staff. ENA uses Microsoft dynamic and Microsoft SharePoint to diffuse all these documents to the point of use. Integrated management system Department employees are responsible that all interested parties of these 900 documents will have availability to make comments or to suggest improvements. If there is any update of any standard or any comment from any auditors that have impact on ESMS they will review that comment or changes and will include in internal documents.</p>
<p>Has senior management signed off on the updated policy/procedure?</p>	<p>Yes</p>	<p>If yes, please provide the date and internal communication indicating the same.</p> <p>Each updated document prior to implementation should be reviewed by all interested parties and should be signed by senior management. After approval ENA secretariat prepares decree from CEO</p>

	with internal communication letter and inform all interested stakeholders.
Has ENA appointed staff tasked to implement the ESMS?	<p>To implement ESMS in ENA top management appointed the following staff in different level of company:</p> <p><i>The Head Quarter</i></p> <p>ENA has environmental expert in Technical department. New environmental expert was recruited Karine Movsisyan (April 15, 2020) who has more than 35 years of experience in environmental sector. She is responsible for EMS implementation in ENA and EIA for the projects that can have major environmental impact or passes through the specially protected area. Expert also responsible for public hearing process is required. Environmental expert prepares waste passports for hazardous and reports to state bodies about hazardous waste based on the legal requirements of RA.</p> <p>The reporting scheme of environmental expert is presented bellow</p> <p>Yes</p>  <pre> graph TD TD[Technical director] --> HSS[Head of safety and sustainability] HSS --> EE[Environmental expert] </pre> <p>For implementation and audit of IMS competent team is selected from ENA staff and appointed for as an “Integrated Management system implementation and audit department”. The structure of department is approved in December 2017 during the meeting of The Council of ENA. The department has the following structure.</p> <p>IMS implementation and audit department’s structure</p>

Head of department

Responsible for strategy and methodology

Head of IMS implementation & audit

IMS implementation experts
4 employee

Auditors
5 employee

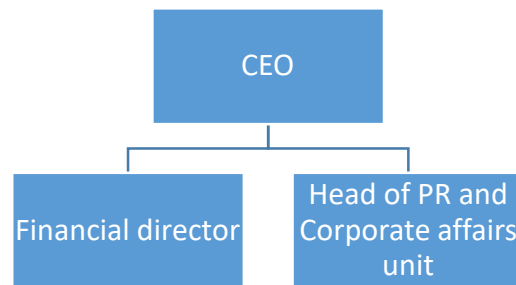
Responsible for social management system

The company's "PR and corporate affairs" unit head is appointed as social management responsible mainly in Grievance mechanism and external communication with all affected people (if any).

Financial director is appointed as a coordinator for:

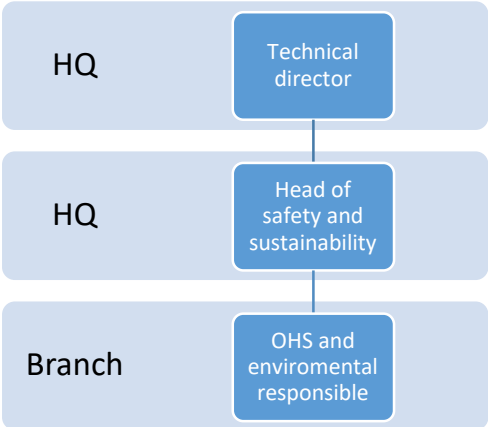
- projects' potential social impact assessment,
- resettlement plan management (if required),
- land acquisition process (if required).

Reporting scheme of social management issues is presented below:



Branches

In each branch OHS responsible are appointed as a responsible for environmental management issues and branch deputy director are appointed as a responsible for social management issues. Newly assigned employees are trained based on the approved procedures that are communicated with ADB and

		<p>EBRD previously. Job descriptions of all appointed staff are updated, and special order was issued to all branches.</p> <p>Reporting schemes of environmental and social management issues in branches are following:</p> <p style="text-align: center;">Environmental management issues</p>  <pre> graph TD HQ1[HQ] --- TD[Technical director] HQ2[HQ] --- HSS[Head of safety and sustainability] Branch[Branch] --- OHS[OHS and environmental responsible] TD --- HSS HSS --- OHS </pre>
<p>Please give details of any project rejected due to environmental and/or social concerns.</p>		<p>For the moment all projects are assessed and there are no environmental and/or social concerns defined which could be reason for project rejection.</p>
<p>Please state any difficulties and/or constraints related to the implementation of the ESMS.</p>		<p>There are few difficulties constraints related to the implementation of the ESMS</p> <p>1 Cultural approach – it is new for some staff mainly in low level to think about environmental and social issues as part of their main responsibility</p> <p>2 Distance – as it is known ENA as company is spread in all Armenian regions and the monitoring of effective implementation is little bit difficult</p> <p>3 Legal aspects – there is no specified laws and regulation on Hazardous waste management and there is no hazardous waste storage or dump in Armenia</p>
<p>Please describe how you ensure that the investment projects are operated in compliance with the national laws and regulations and applicable Lenders’ (e.g. EBRD and ADB) requirements.</p>		<p>All projects that are planned for implementation are sent to Public Services Regulatory Committee, which is state body. In this committee all projects should be approved based on state bodies.</p> <p>Prior to submission to PSRC</p> <p>EBRD’s and ABD requirements (such as Rapid Environmental and social assessment, Project design and development, waste management, procurement policy, contractor selection and evaluation) are included in internal procedures. On-site inspections</p>

		and Internal audits ensure the implementation of those requirements through process audits. Prior implementation of above-mentioned procedures all documents were communicated with ADB experts and after their approval documents have been approved by ENA top management
Please give details of any material social and environmental issues associated with the investments during the reporting period in particular.	NA	During the reporting period there wasn't any grievance received.
In case the existing ESMS is not fully functional, what is the action plan being implemented by ENA?	NA	
Capacity	<i>Yes/NO</i>	
Please provide the name and contact information of the Environmental/Social Officer or Coordinator who has the overall responsibility for the implementation of ESMS.	Yes	Environmental responsible - KARAPETYAN Samvel R. email: Karapetyan_SR@ena.am, Social responsible - SARJANYAN Natalya K. e-mail: Sarjanyan_NK@ena.am
Please provide current staffing of another core ESMS persons in the organization involved with ESMS implementation.	Yes	Provided previously
What was the budget allocated to the ESMS and its implementation during the year?		Please see "Investments aimed at environmental issues" and "Implementation of ISO system" 6-7 and 6-10 lines in projects: 13mln AMD and 51mln AMD for 2020.
Monitoring	<i>Yes/NO</i>	
Do you receive environmental and social monitoring reports from specific investment projects?	No	ENA does not receive specific ES monitoring report from third party. All the reports that ENA has are developed by ENA team.
Do you check for ongoing compliance of your investment projects with national regulation and any other requirements?	Yes	ENA has "Project design and development procedure" which describes steps of design process where is activity of evaluation of project against existing law and regulations. ENA has "Legal requirement management procedure" which describes continuous assessment of current national laws and regulations & other requirements, updates and communication process of legal requirement among company. Annual investment plan including all investment projects before final approval are communicated with PSRC for legal and financial assessment. PSRC can organize public hearing on each case.
Please describe how you monitor the investment projects and their social and environmental performance.		Based on the following procedures: <ul style="list-style-type: none"> • Integrated management system effectiveness evaluation procedure • On-site inspection procedure

		<ul style="list-style-type: none"> Internal audits procedure
<p>Please provide details of any accidents/ litigation/complaints/regulatory notices and fines:</p> <ul style="list-style-type: none"> -Any incidents of non-compliance with the applicable Lenders Environmental and Social Requirements - Covenants/conditionality's imposed by the regulatory authorities to ENA as a result of any non-compliance 		During this reporting there are no incidents among ENA staff
Reporting	<i>YES/NO</i>	
<p>Is there an internal process to report on social and environmental issues to senior management?</p>	Yes	<p>Based on the procedures there are several reporting schemes on social and environmental issues to top management:</p> <ol style="list-style-type: none"> 1. Reporting of each complaint, social and environmental issue (if any) during daily management meeting; 2. Monthly and annual reports on complaints, social and environmental issue; 3. Internal audit reports. <p>Top management makes semiannual meeting and meeting upon request on the social and environmental issues according to "Land Acquisition and involuntary resettlement procedure" and makes management program based on inputs.</p> <p>All complaints that are presented to top management. Complaints that need investment or special decision are presented to CEO.</p>
<p>Do you prepare any social and environmental reports:</p> <ul style="list-style-type: none"> -For other multilateral agencies - Other stakeholders - E&S reporting in the Annual Report - Sustainability reports 	No	

F. For Ongoing Construction Investment Projects/Activities

Overall safeguard category: C	Environment: C
Were any environmental and social due diligence undertaken and by ENA?	For each project rapid Environmental and social assessment should be done before project. If the project has major impact the environmental and social full assessment should be implemented
Any environmental assessment report (including Environmental management plan), involuntary resettlement plan, or audit reports reviewed by ENA?	N/A
What were the main environmental and involuntary resettlement associated with the projects that were identified through due diligence conducted by ENA, and how were the issues dealt with (i.e., outcome of due diligence)?	N/A
Did you discuss with the project staff on site the Applicable environmental and social safeguards requirements and their implementation?	YES
Were any conditions or covenants related to environmental and social issues made along with the investments?	All conditions are mentioned in ENA internal procedures. All staff members are aware on these internal requirements. ENA's representative shares all related internal documents with contractors and subcontractors and implementation of these requirements by contractors are mandatory and part of a contract with ENA
Do the projects comply with applicable government requirements?	YES All projects prior approval and implementation ENA presents to PSRC and PSRC organizes public hearing and after approval with all stakeholder PSRC approves and allow to start implementation. During review PSRC evaluates all projects compliance with legal requirements.
Do the projects comply with applicable Lenders (EBRD and ADB) safeguards requirements?	YES All lender requirements are included in ENA internal documentation system. Internal audit department periodically evaluates the level of implementation of internal management system including nonconformities and corrective actions

Report on Compliance with ADB's Social Protection Requirements

Does the Company carry out its activities consistent with the intent of ensuring legally permissible equal opportunity, fair treatment and non discrimination in relation to recruitment and hiring, compensation, working conditions and terms of employment for its workers (including prohibiting any form of discrimination against women during hiring and providing equal work for equal pay for men and women)?	Yes There is HR policy which identifies all such cases
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Report on Compliance with ADB's Social Protection Requirements

Does the Company not restrict its workers from developing a legally permissible means of expressing their grievances and protecting their rights regarding working conditions and terms of employment?	Described in HR policy
<p>Does the Company engage contractors and other providers of goods and services:</p> <ul style="list-style-type: none"> I. who do not employ child labor or forced labor2; II. who have appropriate management systems that will allow them to operate in a manner which is consistent with the intent of (A) ensuring legally permissible equal opportunity and fair treatment and non-discrimination for their workers, and (B) not restricting their workers from developing a legally permissible means of expressing their grievances and protecting their rights regarding working conditions and terms of employment; and III. (iii) whose subcontracts contain provisions which are consistent with paragraphs (i) and (ii) above. 	Described in Contractors' management procedure and stated also in annex with their contract.

a. Incident reporting

During 2020 there were 2 fatal cases that happened with ENA employees.

For fatal cases only “URBAN, TECHNICAL AND FIRE SAFETY INSPECTION BODY OF REPUBLIC OF ARMENIA” state body makes investigation. ENA planned to have internal procedure for “Internal investigation and reporting”. It is planned to develop this procedure till July 2021.

G. Implementation status of Stakeholder Engagement Plan (SEP). Please provide a summary of the implementation status of the SEP. Please add relevant supporting documents / reports as necessary.

1st edition of Stakeholder engagement plan was developed in June 20, 2017. The SEP is modified and translated into Armenian. After quarantine, the final version communicated with all internal stakeholders for comments. Although all main points mentioned in SEP are included in IMS documentations: policies, procedures, work instructions and etc. which means that approval of this document will not have any difficulties. Final draft Armenian version of SEP communicated for approval and after approval will be available for external stakeholders.

H. Sustainable Finance (investment projects with environmental and social benefits)

Sustainable finance

One of the main objectives of the loan is to decrease electricity losses during transmission. At the end of the investment projects in 2027 the plan is to reduce electricity losses up to 6,4%, which will reduce GNG emissions from the transmission losses to around 4,6%.

Sources of CO2 emission	Unit	2016	2017	2018	2019	2020 Jan-July
CO2 emissions		-	-	-		
<i>Electricity for internal uses</i>	ton	0.0108	0.01165	0.01031	0.00964	0.006
<i>Natural gas, Buildings</i>	ton	354.87	688.86	547.69	591.50	83.02
<i>Natural gas, Transportation</i>	ton	3,196.89	3,142.52	3,323.81	3,636.27	1,212.15
<i>Diesel, Transportation</i>	ton	828.22	1,280.53	1,491.69	1,698.94	760.95
<i>Gasoline, Transportation</i>	ton	891.66	749.24	583.49	698.98	353.87
<i>From losses in distribution network</i>	ton	70,615.08	62,898.6	62,386.1	61,397.9	29,661.28
<i>Total annual CO2 emissions</i>	ton	75,886.74	68,759.8	68,332.8	68,023.6	32,071.28

ENA is in stage of implementing projects with environmental benefits that are mentioned in table below. As the projects still in the progress the social and environmental benefits are not calculated yet.

Project Name	Value financed ENA	Type of social and environmental
	(US\$ thousand)	Benefit
Technical projects directed to reduce deviations in voltage	2,063	Due to voltage stability Subscribers will have high-quality electricity and their home equipment will not damage. the same situation we will have in the productions
Installation of compressed gas cylinders on vehicles to reduce energy use	133	CO2 emission will be decreased while using gas instead of diesel or gasoline.
Implementation of International standards requirement related to quality, environmental, occupational health and safety and energy management systems, including ESMS related requirements presented by ADB and EDRB	120	ENA will start standard to standardize its internal processes and reduce occupational health and safety hazards environmental impact will increase energy efficiency and will stabilize the quality of electricity provided. Besides the company will gain international and local recognition not only by financial corporations but also by suppliers and other interested parties. The company will take into consideration all interested parties' requirements through internal processes and procedures according to international standards requirements. For example, this integrated management system allows company to calculate its GHG emission and to set target to think decrease it.
Special addressable works to improve SAIDI & SAIFI indicators	2,067	The company will improve these indicators that means electricity transmission reliability will improve including number of cut off and duration of cut offs quality electricity quality
Investments aimed at environmental issues	133	According to this project ENA will decrease or will manage its environmental impact. New culture what is implemented among its staff and subcontractors.

I. Corporate sustainability activities

ENA always had a high sense of corporate social responsibility and one of the priority areas of the company's corporate social is supporting orphanages, retirement homes, churches and socially vulnerable group. ENA is constantly investing in science, healthcare, culture and sports. Acting as the largest employer in the Republic of Armenia, ENA also creates decent working conditions for its employees by providing them with the necessary social package.

One of example such activity is financing Luys foundation more than 10 years which gives tuition fee for local and mainly international students.

ENA has special formed fund for socially vulnerable groups who cannot pay for electricity. ENA uses this fund not only for socially vulnerable groups but also there were cases that ENA paid electricity amount for one year for some families whose family members were in military services or in difficult areas.

Started from May 2021 ENA will begin community awareness campaign on electricity hazards.

J. Conclusion/Recommendation

As a complete investment project is aimed to renovation of Armenian electricity networks the main environmental and social impact of the project on Armenian community is positive, as at the end of project community will have stable electricity and voltage and as results stable performance of household and production equipment and efficiency of equipment will be increased.

At the end of the project ENA will have reduced electricity losses, which will reduce GNG emissions as well. All projects have minor environmental and social impacts as all investment projects within this loan are renovation, replacement and reconstruction projects. For such type of project there is no need for land acquisition as main direction of all projects are renovation of existing electrical network infrastructure. One of the projects with positive impact is construction of Hazardous waste storage, which indirectly will reduce environmental pollution.

For the next stage ENA will concentrate on efficiency of its operations, will try to calculate environmental and social benefits, and will improve stakeholders' engagement.