

Luxembourg, 28.07.2023

Environmental and Social Data Sheet

Overview

Project Name:	YEREVAN ENERGY EFFICIENCY PHASE II
Project Number:	2018-0581
Country:	Yerevan
Project Description:	The project foresees energy efficiency improvements targeting kindergartens and polyclinics in Yerevan, Armenia.

EIA required:

Project included in Carbon Footprint Exercise¹: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

The operation is a framework loan (FL) in support of sustainable energy efficiency improvements targeting public buildings (polyclinics and kindergartens) in Yerevan, Armenia. The promoter is the Municipality of Yerevan that will implement the project through the established Project Implementation Unit (PIU). A provisional list of buildings that will be potentially included under the FL has already been identified ex-ante through technical assistance support and consists of the refurbishment of 6 polyclinics and 32 kindergartens. The final list of buildings will be determined during the implementation of the project.

Environmental Assessment

The project is mainly related to improving the thermal insulation of buildings as well as other building-related energy efficiency measures, including boiler replacement, solar hot water and rooftop solar power generation, relighting, etc. As a result of the project, the energy consumption will be reduced by more than 50% compared to the baseline, which will consequently reduce atmospheric pollution related to the production of heat (SO₂, NO_x and particulates) and will help mitigate climate change by avoiding associated CO₂ emissions.

Due to the nature of the underlying investments (buildings), no significant negative environmental impacts are expected. The main environmental regulation applicable to building renovation/construction is the "Environmental Impact Assessment and Expertise" of July 2014, based on which construction/reconstruction areas with more than 1,500 square metres footprint area require an environmental state 'expertise'/study and a positive environmental conclusion from the Ministry of Environment (MoE). The promoter will publish this study or alternatively will send it to EIB for publication. The promoter will ensure that the project will comply with national regulations and that the works are subject to building permits being issued by the local authorities.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.



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Temporary nuisance due to civil / construction works (mainly dust, noise and to a lesser extent traffic disruption) is mitigated through appropriate site organisation and construction management. The promoter will ensure that in case of asbestos-contained material, the treatment and disposal will comply with the local guidance on handling asbestos and the relevant primary and secondary legislation of the country, including but not limited to the Law on Wastes (2004), Government Decrees N121 and N20 and the Guidance from the Minister of Health № 246L.

EIB Carbon Footprint Exercise

The project is a framework loan and in accordance with the Bank's methodology, it is not included in the carbon footprint exercise. However, based on the list of potential buildings that have been identified and on a preliminary study that has been carried out through technical assistance, the primary energy savings as a result of the project are estimated in the order of 19.65 GWh/year resulting in a reduction of 3.9 ktCO_{2e}/year

Social Assessment, where applicable

No special social risks are anticipated for this project. On the contrary, the project is expected to bring about considerable positive social benefits related to the gains in energy efficiency and associated decrease in energy costs. Moreover, the project envisages measures that will improve the accessibility to public buildings for persons with disabilities. The Labour Code (14 December 2004) of the Republic of Armenia is the main legislation on occupational safety and health, which includes chapter 23 dedicated to occupational safety and health and working conditions. The labour code was revised in 2008 in cooperation with USAID in order to be aligned with the relevant ILO conventions. Visits to building sites in Armenia showed the proper implementation of satisfactory health and safety standards.

Other Environmental and Social Aspects

Where applicable, the thermal insulation in buildings with facades that have been designated as cultural heritage shall be installed on the inside, thus protecting and preserving the aesthetical and architectural value of the facades.

The underlying energy efficiency measures will comply with the energy lending policy and its requirements and therefore the operation is fully Paris Aligned.

Conclusions and Recommendations

The operation will support the reduction of energy consumption in public buildings. Given the scale, location and nature of the sub-projects in built-up urban areas, no significant environmental or social risks are expected. Considering the type and size of the project, the capacity of the promoter is deemed sufficient. In addition:

- The promoter will ensure that after the thermal refurbishment, energy performance certificates will be issued by independent accredited experts in accordance with the national legislation and the methodology to be prepared as part of the Technical Assistance supporting this operation.
- The promoter will have to ensure that EIB Environmental and Social requirements will be followed for and during the implementation of the subprojects, especially concerning safety and EIA obligations.
- The energy savings will be compiled and presented in a report to the Bank on an annual basis.
- Through a proper management system, the promoter will ensure that the main negative impacts during construction are limited and will be adequately mitigated. The promoter



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will thus implement and maintain a quality management system, which will also ensure adherence with the environmental aspects of the project as per the relevant legislation, which aims at guaranteeing construction quality.

Based on the above, it is concluded that this operation is acceptable to the Bank from an environmental and social point of view.