

Socio-Economic Impact Assessment

The potential impacts of ENKA projects on the regions where they are to be carried out are comprehensively examined right from the investment stage – or before the work is accepted in the case of contracting activities. This analysis is conducted under the main headings of the ENKA Sustainability Policy, which also constitutes the core of its Sustainability Strategy – namely, “Doing Good Business”, “Caring for Employees”, “Developing Communities”, “Reducing Environmental Impact”.

In line with the principle ‘Doing Good Business’, and regardless of the location or nature of the work, ENKA maintains the same quality in all parts of the world and conducts its business on a basis of sound risk management, a responsible attitude to management, effective leadership, a robust supply chain and keeping its stakeholders informed and involved at every stage.

In order to reduce the environmental impact of any work it is to perform, ENKA first conducts Environmental Impact Assessments held by qualified firms and assesses them. Teams of environmental engineers are formed at the corporate and project levels for their implementation. Engineering work is done at the design stage to increase efficiency, and waste management plans are drawn up during the initial analysis of investments or during the pre-mobilisation stage of construction works.

A detailed analysis is made of the importance of the investment or contracting activity to be carried out both for the communities where the project is located and for ENKA itself. It is well known that the most important way to ensure the success of a project is to ensure

that it is accepted by the communities in the area where it is being built and satisfies these communities through the opportunities it creates. In this context, ENKA aims to achieve success by blending the principle of Caring for Employees, which is never compromised, with the principle of Developing Communities in the regions it works.

Before starting any activity, ENKA carries out environmental and social impact assessment specific to that activity. If the impacts are likely to vary by gender, then a gender impact assessment is also taken into consideration during the assessment. Based on the results of the assessment, environmental and social impact management plans are drawn up and put into effect.

ENKA’s first aim is to eliminate any negative impact. Where this is not possible, various other solutions are implemented, such as reducing the negative impact, isolating it or taking engineering precautions. Regular meetings and training activities are held in order to keep stakeholders informed and increase their awareness. Examples of these include occupational health and safety committee meetings, meetings with local school principals, meetings with the administrators of the settlements nearby, and the provision of education for schoolchildren.

To ensure stakeholder participation and maintain the process of continual improvement, a feedback/complaints procedure is established and made available for the stakeholders’ use. The feedback and complaints received are dealt with in the manner set forth in the relevant procedure.



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In the case of the South Caucasus Project Expansion (SCPx) project in Georgia, the impact assessments identified the main impacts that could create risks for the environment and the communities in the region, given the location of the project and the nature of the work, as the impact on wildlife, the impact on farming and bee-keeping as means of livelihood, the risk of traffic accidents, the environmental impact of dust, noise and vibrations, and the risk of fire. In 2017, five neighbouring villages were closely monitored in the framework of these potential impacts. Due to the systems implemented and the measures taken, no negative impact was observed in 2017 in any of the specific areas mentioned.

For the ongoing Kashirskaya Multi-Functional Trade Centre Project in Russia, the potential risks on surrounding communities were of a different dimension as the project is located in the city centre. The risks identified were an increase in traffic accidents, damage to citizens or public property due to falling objects, environmental dust, noise and vibration, and damage to the surrounding buildings and communities due to the outbreak of fire. As a result of the precautions taken, no situation that could create a negative impact occurred at the Kashirskaya project during 2017.

During all projects and business activities, all kinds of resettlement processes in the locations of the activity are planned and conducted by ENKA in accordance with predetermined principles drawn up in conformity with international legislation. There were no resettlement processes related to ENKA’s activities in 2017.

Social Community Engagement Manual

ENKA developed its Social Community Engagement Manual in 2017 with a view to successfully manage all of the positive and negative impacts it has on communities in the places where its projects and its various business operations are located. This manual has been made available for the use of all ENKA units. It explains the main elements of managing interaction with communities and the role of the project management in this process. Examples and reference files that are responsible for projects and other business operations can benefit during the process, which is also included in the manual.

The following three main elements need to be taken into account in activities concerning the community in all the places where ENKA operates:

Avoiding or Eliminating Negative Impacts
Increasing Positive Impacts
Social Investment

While conducting the activities in question, all units pay attention to the ENKA Code of Conduct and to the legal requirements of the country where the activity is to be carried out.