

IFC response received on July 25, 2022

Dear Ms. Manukyan,
Dear Ella Skybenko,

Thank you for your attention to environmental and human rights considerations and for providing the opportunity for IFC to comment on the content of your report.

As mentioned in the report's introduction, hydropower is an important renewable energy source. IFC invests in energy projects with the objective of providing affordable, reliable, clean energy. Every hydropower client that IFC works with, including in our investments in Armenia and Georgia, must adhere to our [Performance Standards](#) on Environmental and Social Sustainability. These standards encompass project-related risks and impacts on communities, the ecosystem and protected biodiversity as well as labor and human rights protections, among other considerations. All of these clients are required to have in place Environmental and Social Action Plans, including stakeholder engagement plans and grievance mechanisms to receive complaints directly. In addition to initial due diligence, IFC's E&S department has a mandate to supervise portfolio projects to support compliance on a regular basis.

When we are made aware of concerns with the projects we finance, we work with our clients to address them. We were already aware of some of the issues raised in the report and the tracker and have been working with our clients already to comply with our Performance Standards where there are shortfalls. We will incorporate any new, pertinent information into our regular supervision procedures. IFC's [Policy on Environmental and Social \(E&S\) Sustainability](#) also recognizes businesses' responsibility to respect human rights independently of the state's duties to respect, protect and fulfill human rights. In this respect, IFC is guided by the International Bill of Human Rights and the International Labor Organization's eight core conventions.

Finally, IFC does not tolerate any action by an IFC client that amounts to retaliation. That includes threats, intimidation, harassment or violence against anyone who voices an opinion regarding the activities of IFC or our clients. This is not a privately-held position; [a full statement on how we view retaliation against civil society and project stakeholders is posted online](#) for all of our clients and stakeholders to see.

We thank you again for sharing your concerns with us and we remain open to hearing any further concerns you may have in relation to any of our projects.