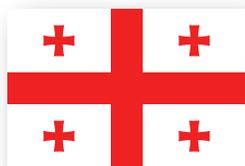


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Nenskra Hydropower Project



COUNTRY
Georgia

INCLUSIVE DATES OF IMPLEMENTATION
No Data

STATUS
Proposed

Nenskra Hydropower Project

ADB is considering financing construction, operation, and maintenance of a conventional reservoir-type hydropower plant, with an installed capacity of 280 megawatts (MW), located in the Nenskra and Nakra valleys of northwestern Georgia.

Georgia, while being a power exporter in the wet summer months, is suffering from acute electricity shortage in dry winter months since nearly 80% of the country's electricity supply comes from hydropower plants (HPPs). During the dry periods, the country relies on thermal power that runs on imported oil and gas. In an attempt to reduce the country's dependence on imported fuel and tap into its tremendous but underdeveloped hydropower resources, the government of Georgia (GOG) has been promoting the development of HPPs.

Project components include:

The construction of a large 130 metre-high asphalt face rock fill dam on the upper Nenskra River with a total volume of 12.5 million cubic meters. A low dam will be built to divert discharge created by the dam into the Nenskra reservoir. On the right bank of the Nenskra River, immediately downstream of the dam site, a small weir (8 metres long, 2 metres high) will be built to divert the discharges of a small seasonal tributary (catchment area approx. 300 hectares) into the Nenskra reservoir. The water in the reservoir will be supplied by both the Nenskra and Nakra Rivers, involving the construction of an 8.7 metre-high concrete weir on the Nakra to divert water flow.

The construction of a surface-type powerhouse located on the left bank of the Nenskra River, a 1,790m long steel-lined penstock and a 220kV transmission line. The transmission line will connect the powerhouse to the Khudoni Substation (to be constructed). The 220 KV overhead transmission line is not part of the project, and implementation is planned by the state-owned Georgian State Electrosystem.

The upgrade of existing roads, including a drainage system, from the Zugdidi-Mestia national highway to the Nenskra dam site and up to the Nakra water intake. Two new bridges will also be constructed in Lakhmi and existing bridges will be reinforced including the Kaishi Bridge over the Enguri River, as well as eight existing bridges in Lukhi, Chuberi, and Tita. Service electrical lines will also be erected. It should be noted that rehabilitation of the abovementioned infrastructure has already started with funding from the State.



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NAME OF IFI/DFI

Asian Development Bank (ADB)

Asian Infrastructure Investment Bank (AIIB)

European Bank for Reconstruction and Development (EBRD)

European Investment Bank (EIB)



TOTAL COST

USD 314 million (proposed)

NATURE OF FUNDING

Co-funding

TYPE OF ASSISTANCE

Loan



PRIVATE SECTOR PARTNER/S

Joint Stock Company Nenskra Hydro

CSO PARTNER/S

None

OTHER PARTNER/S

None



POSSIBLE/EXISTING IMPACTS ON THE ENVIRONMENT

On January 27th 2017, two residents from the Nakra community filed a complaint to the EIB's complaints mechanism. They raised concerns over the inadequate assessment of natural geological hazards in connection to the Nenskra project. Construction of the project will flood up to 300 hectares of lands situated in a planned candidate Emerald site – an area of special conservation interest under the Bern convention. This site included most of the Nenskra HPP area - Nenskra River, headrace tunnel, power house, Nakra intake, Nakra transfer tunnel and half of Nenskra Dam and reservoir, as well as most of the roads and transmission lines. However, the Georgian government disregarded procedures for evaluating the proposed Emerald site.

It is also notable that 95% of the lands proposed to be flooded by the project are forested, destroying significant habitats and species protected by the Bern convention, and nine habitats of European importance. These include the Western Tur, Persian Leopard, Caucasian Grouse, Caucasian beech forests, alluvial forests (*Alnus Barbata*) and river and riparian habitats (Riverine scrub, Montane river gravel habitats, etc.) In particular, the Nenskra reservoir is a core area of great importance for the brown bear with as many as 14 signs of the species found in 2015 and 2016. Conclusions made that the project's impacts are not significant and not justified with any scientific methodology. Moreover, no special surveys were made to search for bear, wolf and lynx dens, so there is no proof that reproduction areas for these species will not be affected by the project.

According to the project documentation, over 17 km of the Nenskra River and 9 km of the Nakra River will be left with insufficient amount of water flow, completely changing the hydrological and sedimentation regime of the rivers. This will lead to the destruction of the river ecosystem and complete extermination of the species and habitats depending on it.

In addition, the project lacks assessment of microclimate change in the Chuberi and Nakra communities as a result of reduced "ecological flow" in the rivers. The project assesses only impacts on microclimate resulting from the Nenskra reservoir, without assessing the role of these rivers in influencing the climate in the villages. Both communities are located along the rivers and these rivers play significant role in airing and conditioning of the valleys throughout the year. In case the river flow decreases to the level anticipated by the project, locals fear that living conditions in these communities will significantly deteriorate. During the summer, when the temperature increases in the valleys, the rivers play vital role in airing and conditioning of the valleys. Reduced flow will deteriorate living condition of the communities at large, and not only the 80 families previously identified.

Does the project have an environment/social impact assessment?

Yes, and accessible by the public.

Does the project target the SDGs?

No.



COMPLIANCE/NON-COMPLIANCE TO DEVELOPMENT EFFECTIVENESS (DE) PRINCIPLES

Democratic country ownership of national development priorities

According to the ADB, the project is in line with the Country Partnership Strategy 2014-2018 of Georgia as it contributes to sustainable economic growth by increasing power supply through the use of an indigenous and clean source of energy. Private sector intervention also supposedly eases power shortages which constrain economic activity. There is, however, inadequate information on how CSOs and communities view the project in the context of repression in Georgia.

Focus on results

Communities' livelihoods are endangered by the project. The ESIA identifies that access to several fishing sites will be blocked and that the project will have significant impacts on the area's fish population. As fishing was identified primarily as a subsistence practice, these impacts endanger the right to food of impacted peoples, in addition to the acquisition of arable and pasture land for the duration of project construction. Moreover, changes in the microclimate from the Nenskra reservoir will damage fruit trees and plants, endangering local communities' right to food. According to CEE Bankwatch, many of the ethnic Svan people living in the area rely on agricultural subsistence practices. The acquisition of arable and pasture land puts their right to livelihood at risk.

Inclusiveness

According to the Stakeholder Engagement Plan (SEP), consultations took place with the Chuberi community, Georgian environmental NGOs, and the Mestia Municipality from 2011 to 2012 following the relaunch of the project. Follow-up consultations were undertaken from September 2015 to December 2016 informing the present ESIA in various locations including Chuberi, Naki, Mestia, and Tbilisi. The SEP states that these consultations involved discussions on compensation.

The SEP indicates that consultations began again in March 2017 and are ongoing. In August 22-24, 2017 the last round of consultations was organized in Tbilisi and in the villages, but answers on key issues were not given to people.

SOURCES:

<https://ewdata.rightsindevelopment.org/projects/ADB-49223-001/>

<https://www.adb.org/projects/49223-001/main#project-pds>

