



Statement by Coalition “Transparent Foreign Aid to Georgia”

On Potential Impact of the Proposed Black Sea Regional Transmission Project on the Borjomi-Kharagauli National Park

To overcome the crisis following the August 2008 Russia’s military aggression donor countries and international financial institutions pledged USD 4.55 billion assistance to Georgia. A great part of this aid will be used to finance the infrastructure and energy projects. One of them – the Black Sea Regional Transmission Project – envisages rehabilitation/construction of a 500-kilowatt power transmission line (from western Georgia to the Azerbaijani and Turkish borders). Euro 8 million grant was allocated for preliminary studies and preparation of project documentation, while the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB) and German Reconstruction Bank (KfW) plan to allocate Euro 250-million loan for the project implementation/construction.

It should be noted that the construction of the mentioned power transmission line was launched during the Soviet period and suspended in 1992. According to the project proposal, the power transmission line will pass through several protected areas: Borjomi-Kharagauli National Park, Ktsia-Tabatskuri Managed Reserve, and Gardabani Managed Reserve. The works have already been conducted on the territory of the Gardabani Managed Reserve during the Soviet time, while the other protected areas will be crossed during implementation of the present project. This directly violates the Georgian legislation and will lead towards the failure of project, as violation of national legislation contradicts the safeguard policies of international financial institutions.

The proposed project is particularly problematic with regard to the Borjomi-Kharagauli National Park, as all of three proposed alternative routes of the transmission line cross the Borjomi Valley. In case of the first alternative, the power transmission line will cross the National Park in a 11.5-kilometer, forest-covered section; in case of the second alternative – in a 4.7-kilometer non-forest section, while in case of the third alternative it will bypass the National Park, though it will pass through the most forest-covered territory, which will potentially be added to the National Park in the near future. Hence, the second alternative will cause the least impact on the Borjomi-Kharagauli National Park.

The administration of the National Park and a consulting company preparing an Environmental Impact Assessment study, both support the second alternative. However, the Ministry of Energy, which is interested in project implementation, tries to exert pressure on the Ministry of Environmental Protection and Natural Resources and through rough violation of legislation, to select the cheapest alternative that may have the greatest impact on the Borjomi-Kharagauli National Park (first alternative).

It should be stressed that according to the principles given in article 5 of the Law of Georgia on Environmental Protection, particularly according to “the priority principle”, “*an action, which*

may cause negative impact on the environment and human health, can be changed by other, less risky, even more expensive action. The priority is given to the latter, if its cost does not exceed compensation expenses for the ecological damage caused by less expensive actions”.

In this particular case, the Law on Protected Areas will be also violated, since in case of first alternative lobbied by the Ministry of Energy, towers and high-voltage lines will be located in the visitor and traditional use zones of the protected area; it will be necessary to clear-cut the area on the entire perimeter of the power transmission line; construction will disturb species; upon completion of construction works, a threat of forest fires will increase and landscape will be visually polluted. Owing to visual pollution and the landscape changes, the National Park will become less attractive for tourism and this will have an affect on the National Park’s incomes. Thus, besides violation of the legislation and impact on the biological diversity, the project will have a long-term negative social and economic impact.

The Borjomi-Kharagauli National Park is the first national park in South Caucasus, which was established with significant contribution of the German Government and the German Reconstruction Bank (KfW). It is over 100 years already that a protection regime is underway there in various forms. This is the only national park in the region, which has joined PAN Parks (the Protected Area Network of Parks). Its territory covers over one percent of the entire Georgian territory; the park contains pristine ecosystems and many endemic, relict and endangered species live there, which are protected by the national and international legislation. In Georgia a Caucasian deer is preserved in three places: the Lagodekhi Protected Areas, as well as the Gardabani Managed Reserve and the Borjomi-Kharagauli National Park.

It is paradoxical that through using the donor funds allocated on eradication of the August war consequences, the Government of Georgia plans to further damage the National Park, which was already damaged as a result of Russia’s aggression.

We call on the Georgian Government, donor states and international financial institutions not to allow that the funds provided for post-war rehabilitation of Georgia to be used for degradation of the Borjomi-Kharagauli National Park. We, the undersigned, reserve the right to use all legal instruments to resist the implementation of destructive projects in Georgia.

Coalition “Transparent Foreign Aid to Georgia”

The mission of the coalition “Transparent Foreign Aid to Georgia” is to promote transparency of the foreign financial aid pledged to Georgia by donor countries and international organizations to assist the country in overcoming the crisis following the August 2008 armed conflict, increase government accountability, and promote participation of civil society in the management of this aid.

Current members of the coalition are: Association Green Alternative, Civitas Georgica, Eurasia Partnership Foundation, Economic Policy Research Center, Georgian Young Lawyers’ Association, Open Society Georgia Foundation and Transparency International - Georgia.

See detailed information about the coalition at: <http://www.transparentaid.ge>

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