

Overview of current reform in natural resources management

(As of 11 October 2011)

In spring 2011 significant structural changes were carried out in the Georgian government. Instead of the Ministry of Environmental Protection and Natural Resources and the Ministry of Energy, the Ministry of Environment Protection and the Ministry of Energy and Natural Resources were formed. As a result of the structural changes the following structural units of former Ministry of Environmental Protection and Natural Resources were transferred to the Ministry of Energy: Environmental Protection Inspectorate; Investigation Department and Forest Agency (a legal entity of public law). Later these units were disbanded. The Agency of Natural Resources (a legal entity of public law) was set up at the new Ministry of Energy and Natural Resources. Forest management functions were transferred to the Agency. The latter is also in charge of hunting, fishing and mineral management issues (setting of license quotas, checking of license terms, etc.). Moreover, the function of selling the right to use natural resources was withdrawn from the Ministry of Economy and Sustainable Development and transferred to the Ministry of Energy and Natural Resources.

Thus, the following functions related to management of natural resources (minerals, water, fauna objects (hunting, fishing), forest, non-timber resources) have been concentrated in the hands of the new Ministry: setting of quotas and terms of using; preparing of license/lease objects; selling of licenses; controlling of licenses; eradicating illegal use.

Before implementing the reform the Ministry of Energy was one of the major and strong barriers for implementing the environmental projects, including on establishment of new protected areas. Last year, on initiative of the Ministry of Energy, the cabinet of ministers rejected the drafts developed by the Ministry of Environmental Protection and Natural Resources on establishment of Racha National Park and Pshav-Khevsureti National Park, as well as the proposals on establishment of the Ramsar Sites and protected areas on the Paravani and Sagamo Lakes.

After the issues of using forests and other natural resources were transferred under subordination of the Ministry of Energy, it obtained more powers to suspend the environmental projects. The environmental organizations were raising their concerns in this regard already at the stage of planning structural reforms; however, the officials were claiming that the Ministry of Environmental Protection would only strengthen as a result of those structural reforms and would become “a purely environmental agency”. Unfortunately, there are no signs of strengthening the environmental agency so far; the Ministry is much inert and weak today than it was before the reforms.

Instead, the balance between environmental protection and use of natural resources has been violated finally in favor of this latter. It became quite obvious in late summer of 2011, when the Ministry of Energy and Natural Resources voiced its several initiatives:

1. Forest sector reform and development of new forest legislation;
2. Making amendments to the legislation related to the Red List and protected areas;
3. Simplifying regulations related to extraction of minerals;
4. Initiating and launching several large infrastructure and energy projects simultaneously without environmental impact assessment;
5. Making amendments to the legislation regulating protected areas in order to pave the way for implementing various environment-harmful projects in the National Parks.

All the above mentioned initiatives are part of one scenario, which can generally be described as an attack on Georgia's nature. The amendments are being passed very quickly and non-transparently that prompts us to believe that they are connected with lobbying particular financial interests.

Below, each of these initiatives is reviewed shortly.

1. Forest reform and proposed new forest legislation

The society learnt about this initiative in late July 2011, when Minister of Energy and Natural Resources Alexander Khetaguri made public statements for the press. He said that the local population will no more face any restrictions and will have an opportunity to extract an unlimited amount of material timber and firewood; furthermore, a 49-year lease will be determined as the form of forest use starting from August.

In order to specify media reports, the non-governmental organizations applied to the Ministry of Energy and Natural Resources and urged it to hold a public meeting on this occasion. In response, the Ministry only invited several organizations to a meeting held at the Metechi Palace Hotel on August 4, where the Minister spoke about forest reform and future plans. The Ministry did not admit the journalists willing to attend the meeting.

Below there are some details of the August 4, 2011 meeting:

During the meeting Minister Khetaguri said that by then the Ministry had no document (reform, concept, draft law, etc.); accordingly they could not deliver any public information. The Minister held a presentation and spoke about the planned activities.

Key issues from the Minister's presentation:

The key problem related to forests is illegal cutting. The Ministry started to settle this problem not by strengthening control and enforcement in the forests, but by tightening control over marketing outlets, transportation and sawmills. Electronic chips have been introduced for this purpose, through which the transportation of round logs will be controlled; special invoices have been introduced, through which the transportation of round logs to sawmills will be controlled/registered. Furthermore, a uniform electronic system will be created, which will be accessible for both the Finance Ministry's Revenue Service (tax and customs departments) and the Agency of Natural Resources of the Ministry of Energy and Natural Resources¹.

Timber extraction is divided into categories: social cutting and commercial cutting.

Social cutting means extraction of timber and firewood by the local population for individual consumption. Any restrictions in respect of the amount of timber and firewood have been removed: a representative of the local population can cut as much timber and firewood as he/she wishes. The procedures for gaining the right to wood cutting have been simplified. Locals will be able to pay through Pay Boxes and receive a social cutting permit, which will indicate the owner's personal data, amount of the sum paid, name and

¹ Timber cut for both social and commercial purposes are subject to such control. Firewood should be cut into 1-meter logs.

amount of wood to be cut, location of cutting area, terms of validity of cutting areas, personal data of an employee from the cutting area service agency. A reference for the wood and plants extracted on the territory of a private property shall be issued by a local self-government body. A forest leaseholder shall be responsible for allocating a cutting area for social felling.

It will be prohibited to sell the wood extracted through social cutting and any material received from it; transportation of timber (log) as well as receiving and processing at sawmills without electronic chips and any documents proving the legality of timber (prohibitions cover both social and commercial felling).

Serious changes are planned in connection with commercial cutting. The reform has the following official purpose: to increase economic turnover balanced with environmental and social factors; to make effective use of resources existing on forest areas; to increase forest resources gradually. New forest code and bylaws will be developed; regulations will be based on the international standards system; it will be compulsory for leaseholders to meet the requirements of Forest Stewardship Council (FSC). The system of administration will be transparent and simple.

The key reform actions (tasks): transfer of forest area to a long-term management (lease), for a term of 49 years with an exclusive right of further prolongation; the Georgian forests, which are not included in the forest fund of protected areas or are not transferred under long-term logging licenses – approximately 1 800 000 ha – will be divided into lots of a lease auction according to river basins. A river basin will be leased to the investor, who assumes to pay the highest annual leasing fee. Unlike the existing licensing system, an investor will not have to pay millions of Lari while obtaining a license for gaining the right to use natural resources (royalty). Payment of the leasing fee will start only 1-2 years later. During the first two years after the auction, a leaseholder has no right to cut wood; neither will he/she pay a leasing fee. Leaseholder is obliged to study the leased territory and develop a management plan. The plan should be developed in compliance with FSC standards and approved by the audit company certified by FSC.

A leaseholder shall have the following obligations:

- Tending the forest area; forest cleaning; carrying out sanitary cuttings; prevention of diseases; development of infrastructure; protection of forests against fire, erosion and other harmful impacts; protection against illegal activities; forest renewal (principle: for one cut tree three are planted);
- Ensuring open public access to the territory with the purpose of leisure, gathering brushwood, berry, mushroom and extraction of other non-licensable resources (for example, sport fishing) as well as cattle pasturing (exception – forest renewal sites); allocating cutting areas for social felling and providing the roads to get to such areas; ensuring safety during cuttings.

In case of detecting violations and not eradicating them, leasing agreement will be abolished. In case of non-fulfillment of any obligation by a leaseholder, the Agency fulfills the obligations (for example, plants the trees, if a leaseholder does not do it) and makes a leaseholder defray the expenses.

A leaseholder will have the right: to use natural resources existing on the area (not only timber resources), including mineral resources; to develop various activities/infrastructure, for example fishing and hunting farms, tourist infrastructure; land processing (for agricultural purposes); plantations, etc. A leaseholder will also have the right to give the areas under sublease, through the agreement with the Ministry.

By the end of the presentation the Minister made the following explanations to specify some issues:

- A leaseholder will have the right to start extraction of minerals on the leased area, if any such ore is discovered;
- Clear cutting will be allowed in natural forests; instead of it, a leaseholder will be obliged to plant the trees;
- Prohibitions related to felling the trees on steep slopes will be abolished;
- No more protected areas will be established in future, because the existing ones are quite enough. The existing protected areas hamper the implementation of hydropower plants and other infrastructure projects. The remained forest areas will be leased for a term of 49 years with granting an exclusive right to prolong a lease and a leaseholder will decide better what is to be protected.

The Minister noted that such regulations exist in the Austrian Forest Code and if anybody tells him that it is inadmissible, he will indicate a relevant article in the Austrian and German legislation. He also noted that what in Austria is called a natural forest is actually an artificial one planted 200 years ago and it creates no problems.

The Minister promised the participants that new legislation would be ready by late August and become available for public discussions, while after the discussions the Government would submit the draft to the Parliament for further discussions and approval.

When asked whether the mistakes and shortcomings made during the forest reform initiated in 2006-2007 were taken into consideration, the Minister responded that everything had been taken into consideration. It should be noted that one of the authors of reform idea, former Environment Minister Davit Chantladze, who also was the main author of forest sector “reform” implemented in 2006-2007, took an active part in the discussions.

The participants noted that the obligation concerning the development of a management plan and audit in compliance with FSC standards was also put in the requirements of 20-year licenses issued in 2007-2008 years; however, two years after issuing the licenses, these requirements were abolished, while the owners of the some of the major licenses turned out to be public officials. In response, the Minister said that previously this requirement was approved by the governmental decree, but now it would be approved by law guaranteeing that lease conditions would not change.

One more similarity between the 2007 reforms and current ones: the main actors of by-then reform were First Deputy Minister of Environmental Protection and Natural Resources David Chantladze, Chairman of the Forest Department Zviad Cheishvili and FSC Director Heiko Liedeker. Issuing of a 20-year license was preceded by signing a memorandum between the Forest Department and FSC. Now, the same Heiko Liedeker and Davit Chantladze are openly participating in developing new forest legislation.

Disclosure of documents under discussion and public participation:

On September 5, 2011 the Ministry of Energy and Natural Resources e-mailed the English-language draft forest code and draft long-term lease agreement to the representatives of several organizations. According to the letter attached, it was planned to hold a meeting on September 15 with the non-

governmental and international organizations to discuss the mentioned drafts. According to the same letter, the venue and time would be specified later.

In response, the non-governmental organizations expressed their concern as the basic rules of publicity for the discussion of such important documents were not observed. They refused to participate in the meeting unless basic requirements were met; in particular, the non-governmental organizations were demanding:

1. To issue a public statement regarding the discussion of the draft forest legislation;
2. To publish the relevant documents in the official language;
3. To determine reasonable terms for discussing the documents and submitting comments.

Simultaneously, some doubts arose that the Ministry might portray such meetings as official (formal) public hearings. It should be noted that the Ministry failed to find any logical explanation to the fact, why it was pushing forward this law so urgently. It triggered doubts that the authorities pledged particular persons to hand over the forests for a term of 49 years.

Deputy Minister Nino Enukidze gave the following explanation (through email communication with non-governmental organizations): the given document will finally be submitted to the Georgian Parliament in the Georgian language and be discussed under established rules. But, as far as the Austrian and German experts are participating in preparation of the documents, it is very difficult to work with them in Georgian. At the same time, in terms of legal procedures, it is desirable that the document be developed in one language not to complicate working over it and not to drag the process.

In response of NGOs concern regarding non-sufficient public participation (as it was mentioned only English version of draft law was sent to only selected organizations), the Ministry appointed a meeting on September 6, i.e. the day after the documents were published. Accordingly, only one organization participated in that meeting with the Minister. Therefore, Minister Khetaguri said that the text would be translated only before its submission to the parliament and the debates would be held only in the legislative body.

On September 13 the English-language draft forest code and draft long-term lease agreement, as well as the Georgian-language draft forest code were sent only to selected organizations that were notified that the meeting would be held at Sheraton Metechi Palace at 11am on September 15.

Hence, the documents were sent to the selected non-governmental organizations twice: on September 5 (a day before the meeting scheduled for September 6 and only in the English) and on September 13 (two days before the meeting planned for September 15 with the draft law in Georgian, and draft agreement and draft law – in English). Because of such low level of publicity and unreasonable timeframes allocated for discussing the documents, participation of non-governmental organizations in those meetings was limited.

Some of the major points from 15 September 2011 meeting are outlined below:

On September 15, 2011, a meeting was held on initiative of the Ministry of Energy and Natural Resources concerning the drafts of forest code and long-term lease agreement. The representatives of donor organizations, international financial institutions, embassies, EU delegation and non-governmental

organizations attended the meeting. The meeting was chaired by Minister of Energy and Natural Resources, Alexander Khetaguri. The draft law was presented by expert, Peter Herbst, who was also answering the questions, together with the Minister.

While speaking about the meeting, the Minister said: this is not a public discussion, this is a working, technical meeting; the key principles of the new forest code will be presented (there will be no discussions by articles) in order to hear general views from donors and non-governmental organizations. In future public discussions will be planned and a wider circle of all stakeholders will be involved in this process. After public discussions, the political process will commence in the Parliament.

The Minister said that the work over the document lasted for about 3-4 months. The biographies of major experts were provided (Peter Herbst, Heiko Liedeker). The submitted draft was developed under the Austrian model, while this latter was selected because we are close to this country by forest resources and by the existence of mountainous regions, as well as total area and per capita forest resources. The Austrian model is one of the perfect ones in Europe.

Peter Herbst held the main presentation. It concerned the issues related to the forest code: definition of terms, importance of forest protection; forest categorization by functions; protection of forests against pests; expenses; regulation of forest cutting; protection of forests against fires; other issues of forest renewal and forest use.

Following the presentation questions were asked and a discussion was held.

Stephen Stork, the representative of the EU Delegation to Georgia, expressed his concerns over the level of public participation on the draft forest code. He said that the process should be in line with the requirements of the Aarhus Convention and called on the Ministry to ensure more involvement of non-governmental organizations, as well as local authorities and population in the process. He also required explanations about what particular impacts the new forest code would have from environmental, political, social and economic points of view. He said that the code should be brought in line with sustainable development principles. He emphasized that the EU-Georgia negotiations on Association Agreement obliges Georgia to reflect the requirements of five EU Directives related to environmental protection in the new forest code. He also marked the necessity of making up a preliminary inventory of resources and carrying out environmental impact assessment.

Minister Khetaguri rejected criticism concerning the publicity. He numerously expressed dissatisfaction in respect of non-governmental organizations because of their refusal to participate in the meeting, and accused them of making groundless political statements. He also criticized the donors saying that the latter were relying upon the NGO interpretations. In his opinion, the non-governmental organizations should be oriented to discussing technical issues of the documents instead of making groundless political statements.

Minister Khetaguri also said that the Aarhus Convention envisages publishing of a document, which should be discussed in the Parliament. The forest code, he said, was not ready to be discussed in the Parliament and therefore it was not made available for the public.

The Minister explained again why the document was presented in English and why the discussions were held in English. He said that English is a common language, we all understand it, and it was expedient for

conceptual discussions and not for discussions by articles. Presently, the representatives of non-governmental organizations know good English (he was sure that otherwise, they [NGOs] would not be able to obtain grants from donors). Therefore, he thinks that there is nothing alarming in the fact that the document was presented in English.

Khetaguri also said that he adheres to the following principle: (1) to discuss the law publicly and (2) to ensure that it is in line with the EU directives. He, however, said that many non-governmental organizations believe that EU directives should not be reflected in the EU legislation. He noted that the Georgian government used the Austrian model as the basis in order to come as much closer to the EU requirements as possible. Whether or not the non-governmental organizations want it, all the EU directives will be observed as much as possible.

Despite this explanation, the issue of reflecting the EU directives and environmental requirements in the draft forest code became the subject of long debates. Peter Herbst repeated for several times that this is forest code and not environmental code and from legal point of view, it is unjustified to reflect environmental requirements and EU environmental directives in it. Forest code is not environmental protection code. All these regulations are mentioned but not reflected. EU directives are the issue of environmental regulations and not the issue of forest regulations. During the debates the Minister backed this position.

As far as the inventory is concerned, the Minister said that a leaseholder should conduct it. It is senseless for the state to spend money on inventory and then sell the forests, because after purchasing it, a leaseholder will again carry out an inventory. The state should check results of the inventory and local and international experts should participate in its discussion. Anyway, the government will not disclaim responsibility for the quality of inventory. If anybody allocates a grant to the state for inventory, it will be glad, but it is against spending public funds for this purpose.

The process will be carried out in the following way: first, the entire territory of Georgia will be divided into zones. This is a political tool/process and the state will implement it; this is the competence of the state. Afterwards, forests will be leased. A leaseholder will carry out an inventory, which will be discussed by the state. In case of approval on the part of the state, a leaseholder will develop a management plan, which will again be discussed and approved by the Ministry. Only afterwards a leaseholder will have the right to use the forest.

Davit Tarkhnishvili, the director of the Institute of Ecology, and other participants focused on the fact that unlike Austria, in Georgia a great part of forests are intact, virgin forests; therefore, the issue needs much attention: the issue of biodiversity conservation needs to be taken into consideration in the course of reforms.

The Minister noted that in Europe actually there are no virgin forests and when we achieve the European level and do not have any hungry people in the country, we can care about virgin forests. Today, we should not stay as a developing country; we should not enclose great territories and declare them as protected areas. We should find the golden mean between economy and ecology and walk on that golden mean.

The Minister also touched the issues of further expansion of protected areas and said that he was strictly against it especially in those places, where it was unjustified. He also said that he would only agree to

establish protected areas, if the initiative will come from the local population and not from the Ministry of Environment and/or NGOs. He would agree on establishing protected areas only in case of scientific justification and agreement with the population. Until now the issue of creation of protected areas has never been agreed with the population and it is unclear why only the issue of selling the forests should be agreed? The existence of a list of potential protected areas is also quite unclear for him. The Minister cited Tusheti as a negative example, saying that the forests are in a good condition outside the National Park; that cannot be said about the National Park, where the situation with forests is extremely grave, because no sanitary cuttings are taking place and the trees are falling naturally; they are rotting and creating a threat of landslides (in fact Tusheti is not a landslide prone region. I.M.).

When asked whether any consultations were held with local population on leasing the forests, the Minister said that the consultations were planned to be held in future.

Expert Peter Herbst noted that he was not familiar with Georgia forests; several years are needed for this process. He also noted that a 100% good law does not exist in nature, but if it is good by 70-80%, it will definitely work.

The Minister also commented on the opinion, which was voiced several times, according to which the process was extremely accelerated. He said that just because nobody was in a hurry, 90% of forests were being cut illegally and that was caused by inaction. He accused the Ministry of Environmental Protection of inaction and passiveness both in the past and during the ongoing processes. The Minister noted that environmental protection and biodiversity conservation were the Environmental Ministry's functions and nobody had ever prevented the latter from participating in the development of the draft code.

Minister Khetaguri said that the proposed reforms would regulate the problem of illegal logging as it would become impossible to sell illegal timber. From the 1st of September it became a financial and not only environmental offence; sale of timber materials will be subject to the same regulations, as for example, sale of petroleum. Illegal cutting will be prevented through establishing control on market outlets. He said that he had another sense of time and if it were not so, you would not have any electricity today. The Minister also said that the sooner the new draft was approved, the sooner working places would increase.

Khetaguri said that the law authorizes him not to name the experts working over the draft law.

The Minister noted that there is a lack of highly skilled staff in Georgia, especially in forest management. However, the situation will change in this respect in future.

The following persons expressed their opinions at the meeting:

Ketevan Gabiani (Coalition for the European Georgia) said that an owner should be given the right to plant those plants in a forest, which he wants; moreover, an owner should not be deprived of an opportunity to bring alien species from abroad. A private owner, a person, who invests money in a forest, will not allow that the state of forests aggravate. The Minister said that this will not be in line with the principle of sustainable use and in this respect the representative of Green Alternative would give a better response.

Kakha Bakhtadze (CENN) noted that as a result of logging, landslide processes have become too frequent in Georgia and transfer to private ownership will not regulate it. He also noted that in 2007 Peter Herbst

was involved in BP-funded forest restoration project, which proved unsuccessful. He was responded that this is not true, that the project did not fail and it is a very actual project. Kakha Bakhtadze noted that he would provide facts and photos at the next meeting to prove this fact.

Nana Janashia (CENN) said that the Ministry of Environmental Protection had no information about this code and reform. She learnt about it from the Minister, Goga Khachidze. Minister Khetaguri said that he would himself ask this question to his counterpart – the Minister of Environment. He said that he would astonish everybody by the end of this week, as everybody would see the results of their consultations.

Giorgi Kavtaradze (Forest Institute) said that the draft was acceptable from conceptual point of view and added that they were ready to get involved in the discussions. As for the forms of property, he said that it was unclear why privatization was unacceptable; however, a long-term lease could become a transitional stage before privatization.

Levan Cholokashvili (Coalition for the European Georgia) welcomed the fact that forest preservation issues were put in the draft. He considered the proposed form of leasing unacceptable, because any person can enter a forest at any time and use it for non-commercial purposes (cutting, pasturing, etc.). As a result, a leaseholder will lose a sense of ownership. We should not avoid transferring a forest to complete ownership. He also said that there was a project, which unfortunately was not implemented, envisaging presenting 1hectar to each forest user and privatization of the rest of forests.

In response Peter Herbst said that the question was about the right of traditional use and not about somebody arriving from Tbilisi and using a leaseholder's forest. Absence of infrastructure will be the major problem for locals in forest management.

Mikheil Tavkheldidze (Coalition for the European Georgia) believes that the Ministry is rushing the process that is not correct. Frequently the many of EU regulations are not acceptable and forest issues are among those, where these regulations cannot work. He said that the submitted draft envisages a lot of regulations for a leaseholder, and it destroys the incentive for commercial consumption. He also said that it would be better if the forests were divided and if those areas were privatized, where the use of forests would not harm the environment, while the remained areas would fall under state regulations.

In respect of privatization the Minister said that forest privatization was the best way out, but the society was not yet ready for it. He also said that this needed certain time, though the government was ready for it.

In respect of post-discussion procedures the Minister said that the document will be available in Georgian as soon as public discussion is appointed and as soon as the document is ready for submitting to the Parliament. Then, a political process will be held in the Parliament, though this process will not last for months and years. Khetaguri said that the process would last for approximately 1.5 months. He said that he had his own scheme through which he evaluates the efficiency of his work. 10 days upon publishing are quite enough for discussions. By early October the Ministry will be ready to submit the draft law to the Parliament. It is impossible to elaborate an ideal law, not a single country in the world has an ideal forest law. But he is absolutely sure that compared to the current one, the presented draft is better and more civilized.

Public consultation meeting planned on October 13, 2011:

Following the processes described above, many organizations and individuals applied to the Ministry of Energy and Natural Resources requiring the access to the drafts of law and standard leasing agreement and involvement in public discussions (campaign was organized by Green Alternative).

On October 3, 2011 the Ministry of Energy and Natural Resources published a statement on its official website concerning a public discussion on forest law scheduled for October 13. The draft Forest Law was published for discussion. The title of the law is changed in the new version (during previous discussions it was called Forest Code); it also contains some new details, though the key trends remain unchanged.

One important detail should be noted here: at the first meeting the Minister said that FSC-related requirements would be included in the new law ensuring that after leasing the forest, a leaseholder would not be exempted from this obligation. Finally, under the submitted documents, FSC-related requirements will be put only in the lease agreement, which is approved by the Minister's order and actually, from legal point of view, it will be extremely easy to abolish these requirements and soften lease conditions.

At the same time, the Ministry of Energy and Natural Resources has already launched its official website, where it calls on investors to lease forests for a 50-year term under new terms and conditions (which are included in the new draft forest law and which have not been considered by the Parliament yet). See: <http://minenergy.gov.ge/uploads/presentation/index.html?PHPSESSID=cdb9b6bd5a35f988bdb27ee6019117fa>

2. Amendments to Hunting Legislation

In late August a draft law submitted to the Parliament of Georgia was published on the website of the Aarhus Center. The draft law offers new rules and procedures for the removal of endangered animals and plants from the environment. Although the current legislation fails to provide protection and sustainable use of nature and needs amending, unfortunately, not only will the amendments offered by the draft law fail to settle the existing problems, but they will further aggravate – the state of biodiversity will further aggravate, while the progress and international recognition achieved in the development of protected areas will melt into thin air. Let us focus on several important issues, which are not in line with modern principles of sustainable development and which contradict Georgia's international commitments and EU directives. In particular, the draft law envisages:

- Extraction of endangered species for commercial purposes (hunting, felling);
- Hunting in the protected areas, including in the National Parks;
- Legalization of the possibility of destruction of habitats of rare and endangered species.

Simultaneously, the procedures of issuing hunting permits, the rules of determining the extraction quotas and areas are absolutely unclear; compensation for environmental damage caused by illegal extraction of Red List and other hunting species is actually abolished; the liability for controlling the Red List species is imposed on the Ministry of Environmental Protection, which has no relevant resources for it. Neither does the given draft law envisage its financial and structural strengthening.

The adoption of the given draft law in its submitted form will sharply aggravate an already unfavorable situation:

- Legalization of extraction of Red List species for commercial purposes will threaten these species with extinction;
- National Parks, which already occupy small areas throughout the country, will actually lose the function of wildlife reservoirs; even theoretical chances of propagation and conservation of the species of small population size will be destroyed at all;
- Irreparable harm will be caused to the ecotourism and educational functions of National Parks; number of eco-tourists will automatically decrease that will have a negative impact on the employment opportunities and incomes of the population living in close vicinity of National Parks.

WWF Caucasus PO, NACRES and Green Alternative made statements concerning the draft law. They called on the authorities to refrain from adopting the law in its submitted form. Green Alternative offered the Parliament to start eradicating of the existing shortcomings through amending the EIA legislation. Besides the statement, Green Alternative submitted detailed remarks and comments on the draft law to the Parliament (27.09.2011).

Green Alternative has filed a lawsuit to the Board of Administrative Cases of Tbilisi City Court against the Ministry of Energy and Natural Resources demanding the annulment of the Minister's decree No 175 dated September 1, 2011, under which the animal species subject to hunting were approved. Green Alternative believes that the Minister of Energy and Natural Resources issued the decree through violation of Georgian legislation that provides the basis for its annulment.

On September 28, 2011 MP Zaal Gamtsemilidze, who is the first deputy chairman of the parliamentary committee for environmental protection and natural resources, officially announced in the program of radio station "Green Wave" (NGO representatives were also participating in the program) that the draft law was discussed in the Parliament and that the majority shares the concerns expressed by environmentalists and does not support the draft law.

Simultaneously, on September 29 the Minister of Energy and Natural Resources issued amendments to that decree, under which a list of huntable species was approved on September 1. The amended draft included some more species, which previously were not subject to hunting.

3. Other concurrent governmental initiatives

Besides the above mentioned, certain undesirable processes are observed, which can have a strong negative impact on the state of biodiversity and the development of protected areas in Georgia.

The government has adopted a number of decrees simplifying the regulations related to extraction of minerals and softening the environmental requirements towards leaseholders using natural resources. Thus, it will be possible to change the areas covered by licenses on the basis of leaseholder's demands, if the inventory conducted by the latter proves that the resources are not enough.

The Ministry of Environmental Protection has submitted two draft laws to the Parliament, according to which the amendments will be made to the Law on Tbilisi National Park and Law on Kolkheti Protected Areas. These amendments are mostly triggered by the governmental plans to implement Tbilisi Bypass Railway Project and Poti-Anaklia Highway Project. For that reason, zoning of National Parks will be

changed and multiple use areas will be created. Change of zoning is especially harmful for the Kolkheti National Park, because as a result of this change, the status of a strictly protected area can be changed too and it will actually lose a protection regime to ensure that destruction of habitats as a result of the project implementation is not qualified as violation of the Law on Kolkheti National Park. The draft laws were submitted to the Parliament without holding preliminary public discussions.

The government has initiated several large energy projects, including construction of two hydro power plans in the Dariali Gorge of Kazbegi district. Although the projects are in the process of environmental impact assessment and no permit has been issued so far, construction works have already been launched. The region's landscape and biological diversity will be strongly damaged as a result of the project implementation, because the major river of the region – Tergi – will actually remain without water. Both projects are implemented within close vicinity of the Kazbegi National Park.

If we summarize existing situation, following picture can be drawn:

The existing protected areas will face a threat of strong degradation, if new regulations on protected species, regulations allowing hunting and sanitary cuttings in the protected areas, as well as change of zoning for implementing infrastructure projects come into effect.

Establishment of new protected areas will actually become impossible because of leasing the territories of the country for a term of 50 years. Actually, all the forests, which presently are not categorized as protected areas, will acquire economic importance that will pave the way for industrial cuttings (including clear cuttings).

Forthcoming events:

11.10.2011 – The Parliament is starting discussions on draft law amending hunting related legislation

13.10.2011 - Ministry of Energy and Natural Resources organizes first public hearing on the draft forest law.