



Trip Report

DATES: 07.06.2011 – 09.06.2011

Aim of the Trip:

- Prepare PAWs on Tsablari and Machakhela HPPs
- Attend Namakhvani cascade IIA hearing at Kutaisi,
- Attend Clean Energy MOU signing in Batumi.
- Take water samples from the rivers

Preparation of PAWs on Tsablari and Machakhela HPPs

As part of the program Hydropower Investment Promotion Project has identified a cluster of project sites along the Tsablari River (Bagdati Imereti Region) and Machakhela River (Khelvachauri, Adjara). Currently HIPP is conducting pre-feasibility studies for these two projects. The HIPP team is preparing basic technical studies to evaluate the technical and economical feasibility of the projects. As part of this process, public awareness workshops are planned to be held for Bagdati and Khelvachauri communities to ensure their involvement at the early stage of planning for identifying the areas of community concern and gathering feedback from local residents.

To plan and prepare the above-mentioned workshops the HIPP team (A. Lomiashvili, I. Iremashvili) was sent to gather information from local government and community representatives and prepare the PAWs. Meetings were arranged with:

1. **Baghdati** Head of Municipality and Head of Sakrebulo (Baghdati Municipality Building)
2. **Khelvachauri** Head of Municipality and Head of Sakrebulo (Khelvachauri Municipality Building)

Meeting on Tsablari HPP PAW, Bagdati Municipality, Imereti region

Attended by:

David Tabesadze, Head of Local Municipality, (Gangeoba)

Giorgie Robakhidze, Head of Bagdati Sakrebulo

Avtandil Lomiashvili, Engineer, Deloitte, HIPP Project

Irina Iremashvili, Outreach and Communications Manager, Deloitte, HIPP Project

The HIPP representatives explained the scope of activity of Hydropower Investment Project to the local government representatives, as well as the aim of the planned PAW; presented general technical data of the HPPs (Tsablari 1, Tsablari 2 and Khan-Tsablari) available by the moment; discussed the ways and perspectives of project development.

Local Government representatives expressed their full support to the Project and readiness for active involvement at the early planning stage to identify community concerns regarding the possible development of the project and increase cooperation with the public for ensuring consideration of all local community issues in the process of planning.

They provided HIPP with the contacts of the Heads of the Communities (Rtsmunebuli), which will mobilize community members to attend the workshop and gave valuable **recommendations for organizing the PAW with Bagdati Community:**

- Two separate workshops should be organized to encompass all communities concerned by Tsablari HPPs (Tskaltashua, Tsablariskhevi, Dafenili and Khani) - one for three villages - Tskaltashua, Tsablariskhevi, Daphenili - and the other, for Khani community in the building of Khani Secondary School (contact of Khani Rtsmunebuli was provided). As the village Khani, where the river takes its origin, is remote and it is better to approach its community at place and conduct the PAW in the building of their local Secondary School.
- As for Tskaltashua, Tsablariskhevi, Daphenili – with the assistance of Nergeti Rtsmunebuli (contact was provided) these communities can be gathered in the building of Nergeti Secondary School.
- In case Tsablari HPPs development process concerns National Resort Sairme, the HIPP team should discuss the Project with the Parliament Representative for Sairme region (contact was provided), who is coordinating the touristic development of Sairme resort to be in full compliance with the resort development plan.

Meeting on Machakhela HPP PAW, Khelvachauri Municipality, Adjara

Attended by:

Temur Dumdadze, Head of Local Municipality, (Gamgeoba)

Malkhaz Pardanidze, Head of Khelvachauri Sakrebulo

Avtandil Lomiashvili, Engineer, Deloitte, HIPP Project

Irina Iremashvili, Outreach and Communications Manager, Deloitte, HIPP Project

The HIPP representatives explained the scope of activity of Hydropower Investment Project to the local government representatives, as well as the aim of the planned PAW; presented general technical data of the HPPs on Machakhela River available by the moment; discussed the ways and perspectives of project development.

Local Government representatives expressed their full support to the Project and readiness for active involvement at the early stage of planning to identify community concerns regarding the possible development of the project and increase cooperation with the public to ensure considering all local community issues during the planning process. Khelvachauri representatives expressed their full support and readiness to help us in this endeavor. They **provided recommendations and raised several issues as well:**

- They advised to organize the Workshop at the Secondary School of the village Kedkedi, which represents the community concerned. The community is the largest in that area (up to 2000 households). (Contact of the Head of Community was provided).

- Khelvachauri Local Government representatives emphasized high importance of their region in terms of tourism development, as well as environmental protection. They expressed hope that all hydropower development projects (including Machakhela and Adjaristskali) would be implemented in close cooperation with local government and community and all environmental protection norms would be closely adhered. Moreover that, these territories represent the largest protected area in Adjara and it is important to ensure reserving its green cover and watershed.
- In addition, they informed us that new tourism development concept of the Economic Department of Adjara Government includes development of tourism industry on this territory including beaches and other leisure infrastructure (cafes and hotels) along the bank of Adjaristskali River. Therefore, they asked us to contact the person responsible for developing the above-mentioned concept of tourism development (contact was provided).

River Water Samples

- Machakhela and Adjaristskhali samples were taken in Khelvachauri
- Ckhenistskhali and Kvirila samples were taken in Baghdati
- Newly constructed 46m wide dam was visited and photographed in Baghdati region

Other Activities Related to Hydropower Potential Development of Georgia

As the dates of PAWs preparatory meetings in the Western Georgia coincided with two important developments in hydropower sector it was decided to attend the above-mentioned events. ***Photos reflecting these events are also attached to the report.***

- Public Hearing of Namakhvani River Hydropower Project in Kutaisi
- Signing of Implementation Agreement for Adjaristskali River Hydropower Project between Georgian Government and Clean Energy Invest AS.

Public Hearing of Namakhvani river hydropower project in Kutaisi, 10.06.11, 10:00 am.

Public Hearing was attended by Deputy Minister of Energy and Natural Resources of Georgia, Marika Valishvili, Representatives of Tsageri and Tskaltubo Municipalities and communities. Media was also present, up to 100 participants attended hearing.

Technical and environmental issues of the project implementation were discussed, as well as its contribution to improvement of local community employment and infrastructure issues. In general the project implementation was supported.

Signing of Implementation Agreement for Adjaristskali river hydropower project between Georgian Government and Clean energy Invest AS. 10.06.11; 04:00 pm.

Signing ceremony of the implementation agreement was held in Batumi Sheraton Hotel on June 10, 2011 at 4 pm. Georgian Government was represented by Minister of Energy and Natural Resources of Georgia, A. Khetaguri, Clean Energy Invest was represented by Ragnar Segard, CEO of the Company.

The Signing ceremony was hosted by the Head of Adjara Government, Levan Varshalomidze, who expressed his full support to the project as to the largest foreign direct investment in Georgia with the estimated cost of up to 660 million USD. He noted that in addition to the national benefits and high contribution to increasing export income of Georgia, the project will also greatly contribute with employment opportunities for local people, increase of local property tax income of the municipalities along Adjaristskali River. It was also mentioned that the Project will be implemented in close cooperation with local municipalities. Although they were not present at the ceremony, presumably local municipalities will be involved in the process right after signing of the agreement, as they are ready and eager to cooperate with Adjaristskali Hydropower project as well as Machakhela Hydropower Project to support successful implementation and ensure adherence of environmental and tourism development requirements.

Together with the State officials, Company and IFC Representatives the signing ceremony was attended by representatives of local as well as national Press, which also emphasized great importance of the investment project – the event was broadly highlighted by media, signing ceremony and interviews with L. Varshalomidze, A. Khetaguri and R. Segard were broadcasted on Adjara and all other Georgian TV Channels.



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Pictures of the signing ceremony of Implementation Agreement for Adjaristskali River





Public Hearing of Namakhvani river hydropower project in Kutaisi, 10.06.11, 10:00 am.

