

# **Collective statement of the Khaishi community regarding the Khudoni HPP**

(English translation)

Released on March 9, 2016

"In February 2016 the Georgian media reported on the announcement of the Technical Director of Transelectrica Limited (a promoter of the Khudoni hydropower plant, incorporated in the British Virgin Islands) that the consultation process with the local population regarding resettlement is ongoing and permanent process has been already established.

The Khaishi community declares that the information provided by the company is not true. Currently, no consultation process with locals is under way and it will not happen until the property of the Khaishi community that was given by the state to the company in 2012 will not be returned to the people.

It should be also noted that despite the announced wish of the Minister of Energy to meet with the Khaishi residents in October 2015, the meeting did not take place and our demands were not taken into account. Instead the Ministry of Energy signed amendment contract with the developer registered offshore. The terms of the agreement are worse than those included in the original implementation agreement. Additionally, the Ministry disregards that the company was permanently violating the conditions of the early contract and keeps violating the terms of the new agreement.

According to the last amendments to the agreement, the Government of Georgia sums up the obligation to resettle us forcibly despite the fact that high public interest is not justified. This approach violates the Georgian legislation and the World Bank OP 4.12 on Involuntary Resettlement which is a part of the contract and our rights to livelihood and land.

Furthermore, the company' owns 1400 hectares of lands and other property, including houses, community lands, access roads, forests and 178 million USD-worth assets generated during the ex-Soviet Union.

In view of this, the Khaishi community requires:

1. Cancellation of the contract with Transelectrica Limited;
2. Return of the property granted to the company for the symbolic 1 USD by the Georgian state;
3. That the Khaishi community registers their houses and community lands while taking into account traditional and customary laws of land use;
4. An open tender is announced for the Khudoni plant development and that all relevant alternatives to the project are presented;
5. Societal cost benefit analysis of project is developed to assess benefits for the country and not only for the company following up on the recommendations by the independent consultant from the Netherlands hired by the Ministry of Environment in 2013;
6. Decision over the project materialisation is made based on the participatory principle and with the full engagement of locals and all interested stakeholders while preserving the Khaishi community becomes the main criteria;
7. All active political parties in Georgia announce their position to the Khudoni hydropower plant and require the government to cancel the project;

We hope the new Prime minister Giorgi Kvirikashvili and the government will act in accordance to the principles of the best available international practice, restore the justice and terminate the dead end situation created by the agreement with Transelectrica Limited.

We invite the public ombudsman to study the new agreement on Khudoni from the perspective of human rights violation and give his thoughts on expropriation and the violation of our rights to livelihood, land and participation.“