

# Boskov Most hydropower plant, Macedonia



CEE Bankwatch Network's mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

Project briefing paper, November 2011

## Summary

The Boskov Most hydropower plant (HPP) includes construction of a 33-metre accumulation dam and hydro power plant with a total capacity of 68MW. Annual generation is forecasted at around 118 GWh. Boskov will use water from one of Macedonia's main rivers and its six tributaries in the northwestern part of the country. Around 80 percent of the project's activities and installations will be located in the Mavrovo National Park, established in 1949 as one of the oldest and most valuable protected areas in the country and set to become a Natura 2000 site.

## Problems

The Energy Strategy of Macedonia until 2020 concludes that achieving EU 20/20/20 climate targets is possible through investments into further hydropower development. In addition to Boskov Most, another HPP and water reservoir is planned for the Mavrovo National Park in the Park's most strictly protected areas, and several more small HPPs are also under development.

Moreover the lack of any strategic approach to hydropower development is worrying. There has been no strategic environmental assessment conducted on any of the following:

- Strategy for renewable energy use in the Republic of Macedonia;
- Urban plan documentation for the Boskov Most and Lukovo Pole projects;
- Study on small and micro hydropower plants; and
- Management plan for Mavrovo national park

As a result, the following issues are at stake:

- the cumulative effects of the project cannot be identified or analysed with certainty or accuracy;
- information about the project is lacking or unavailable;
- alternative solutions have not been identified; and
- measures and methodologies for strengthening the protection of species in the national park have not been developed.

Last but not least, as Boskov Most HPP is designed to provide energy for peak stabilization, there will actually be no practical decrease in Macedonia's fossil fuel use and as such, the project cannot

be accounted as a CO<sub>2</sub>-saving project. It is difficult to see the positive impacts of this project on the environment.

## Environmental impacts

According to national legislation, large infrastructure projects in national parks are prohibited.<sup>1</sup> The park is intended to provide ecosystems protection and education through recreation and tourism. The Boskov Most HPP involves construction of tunnels and a dam and will inevitably result in deforestation and fragmentation of habitats, the generation of noise and pollution and disruption of important wild species including the Balkan Lynx.

Currently the national park is in the process of reviewing its value in order to be reestablished by the Parliament. The process should ideally consist of preparing:

- an expert study to determine the park's values;
  - a legal act to proclaim the area a national park through the adoption of such a law by Parliament; and
  - a management plan for the park.
- These processes however are being ignored and undermined by both the EBRD and Macedonian institutions, given their plans to begin development and implementation of various hydropower projects in the area.

Unfortunately mitigation measure proposed by the EIA of the projects are insufficient to guarantee protection of the biodiversity of the Mavrovo National Park. For example the proposed 12-months long bio-monitoring programme is meant to address the lack of necessary baseline information. However, the project promoter announced that the works will begin in spring of 2012, when the results and conclusions of bio-monitoring will not be available yet. Thus unless preparatory and construction works are postponed, bio-monitoring will be compromised, as removal of vegetation for constructing new roads, increased movement of workers and noise in the area will interfere with its activities.

## CSO position

Following EBRD approval of the project on 8 November 2011, Macedonian environmental organisations ask that the EBRD ensure nature protection and seriously consider the following concerns:

- The EBRD should ensure that first bio-monitoring activities take place and only then should any related construction or preparatory activities begin.

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<sup>1</sup> Article 75 of the 'law on the protection of nature' clearly states that all activities that endanger the originality of nature in the park are forbidden.

- At least one NGO representative should be involved in the bio-monitoring team responsible for monitoring the project area during the 12 months before preparatory activities or construction of the project begins.
- The project ESIA identifies several important mitigation measures, including development of plans for erosion and sediment control, the prevention and decrease of pollution, vegetation clearing, noise and vibrations, management for construction activities, water management and monitoring, and monitoring of existing flora and fauna in the area. **We request that these plans are publicly disclosed before any activities begin.**
- We ask the EBRD to consider that national authorities are preparing urban planning documentation for the Boskov Most HPP project, which requires also the preparation of a Strategic Environmental Assessment. **The EBRD should allow for this Strategic Environmental Assessment before construction or preparatory works for the project begin.**
- **We would like to receive a copy of the agreement signed for the Boskov Most HPP project loan**, or at least parts of the agreement specifically relevant for environmental or safety requirements.