



Netherlands Commission for
Environmental Assessment

Comments on the Draft ToR for the SEA for Georgia's Power Sector

Memorandum by the NCEA

17 July 2006



Advice of the Secretariat

To Ministry of Environment,
Attn
CC
From Mr Arend Kolhoff (Technical Secretary – Netherlands
Commission for Environmental Impact Assessment)
Date 17 July 2006
Subject Comments on the Draft Terms of Reference for the SEA
for Georgia's Power Sector
(Advice DGIS-0608)

Introduction

These comments are not prepared on request of the Government of Georgia. The Netherlands Commission for Environmental Assessment is supporting the Ministry of environment with the introduction of SEA in Georgia. Therefore these comments could be used by the SEA-Task force that is established to introduce SEA.

General observations:

In this ToR it is stated that the SEA will mainly focus on expanding the hydro-power capacity in the country to supply the growing demand for energy. It seems that this strategic decision has been taken already. Although, no reference is made towards studies that justify this decision. As a consequence other opportunities for expansion of the power supply are not studied in this SEA.

In general these ToR are of good quality and in case the guidelines are followed this could result in a good quality SEA report.

It is a good initiative to execute an SEA and as stated in the ToR, the results of this SEA will be used for a balanced and well informed decision on the construction of the Khudoni power project.

Specific comments:

1. The objectives of the SEA are not clearly stated.

2. The SEA will provide information that will be used for decision-making. However, the decisions to be taken are not specified and a time frame is lacking.

3. In the ToR a time horizon of 15 years (2006– 2021) is used for scenario development as well as assessing the feasibility of alternatives alternative. Due to the amount of investments and the expected changes of climate it is recommended to work with a 30 year period. Hydropower capacity is very much dependent on weather / climate conditions. Therefore it is recommended to make a forecast of the expected climate changes for Georgia in the coming 30 to 50 years.

4. As stated in the ToR direct as well as indirect, positive and negative environmental and social impacts will be considered and valued by making use of two methods. Cumulative impacts will be studied as well. In this section change of ecosystem functions is not mentioned to be considered. It is recommended to study the expected changes of ecosystem functions/services that also provides a good opportunity to study cumulative impacts for each water catchment area, and valuing of changes of ecosystem functions is a good method to take all impacts into consideration in a cost benefit analysis.

5. In the ToR no reference is made towards SEA legislation / regulations that are in place or presently developed. At least the

development of SEA legislation in Georgia should be mentioned and ideally used as a reference framework for this SEA. Moreover SEA guidelines of the World Bank and obligations as a result of application of these guidelines are not mentioned.

6. Consultation with stakeholders is foreseen on the Inception report and the draft Final report. The role and tasks of the Ministry of Environment in this SEA is not elaborated.

7. An independent review of the quality of the SEA report is not foreseen and that is rather strange. At least State Ecological Expertise should be applied but due to the impact of the decisions as well as the need for a quality check for international investors it is recommended to make use of international experts in this field for reviewing the quality review.