



Georgia: Nenskra Hydropower Project

Project Name	Nenskra Hydropower Project			
Project Number	49223-001			
Borrower / Company	Joint Stock Company Nenskra Hydro			
Country / Economy	Georgia			
Location				
Type or Modality of Assistance	B-Loan	Other	USD 100.00 million	Proposed
	Loan	Ordinary capital resources	USD 214.00 million	Proposed
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth			
Drivers of Change	Partnerships Private sector development			
Sector / Subsector	Energy / Large hydropower generation			
Gender	Some gender elements			
Responsible ADB Department	Private Sector Operations Department			
Responsible ADB Division	Infrastructure Finance Division 1			
Responsible ADB Officer	Aoki, Ichiro			
Project Sponsor(s)	KOREA WATER RESOURCES CORPORATION			
Description				
Objectives and Scope	Georgia, while being a power exporter in the wet' summer months, is suffering from acute electricity shortage in dry' winter months since as nearly 80% of the country's electricity supply comes from hydropower plants (HPPs). During the dry' periods, the country relies on thermal power that runs on imported oil and gas. In an attempt to reduce the country's dependence on imported fuel, and tap into its tremendous but underdeveloped hydropower resources, the government of Georgia (GOG) has been promoting the development of HPPs.			
Linkage to Country/Regional Strategy	The Project is fully aligned with Strategy 2020 as it belongs to one of ADB's core areas of operations (infrastructure) and is structured on a PPP basis. The project is also in line with Country Partnership Strategy, 2014-2018, for Georgia as it contributes to sustainable economic growth by increasing power supply through the use of an indigenous and clean source of energy; and private sector development by easing power shortages which constrain economic activity.			

Safeguard Categories

Environment	A
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects	Potential risks to the environment include construction and operation activities that could lead to impacts on biodiversity, aquatic ecology, and worker and community health and safety if not properly managed.
Involuntary Resettlement	Permanent and temporary land take for the project will affect 80 households in Nenskra and Nakra valleys. Out of 80 households, 23 households are expected to have significant impacts because they will lose 10% or more of their productive assets (income generating). A Land Acquisition and Livelihood Restoration Plan has been prepared. Physical displacement was avoided by changing the design and location of various project facilities.
Indigenous Peoples	The supplementary social impact assessment confirms that there are no indigenous peoples communities in the project locations that will be impacted which could trigger ADB's safeguard requirements on indigenous peoples.
Stakeholder Communication, Participation, and Consultation	A Stakeholder Engagement Plan has been developed. Consultations have been conducted from 2016 to 2017 in the course of preparing the supplementary studies. Further consultations will be conducted with stakeholders, including affected peoples, municipalities, and NGOs. These consultations will also continue during implementation phase of the project.

Timetable for assistance design, processing and implementation

Concept Clearance	21 Mar 2017
Credit Committee Meeting	-
Approval	-
Last PDS Update	22 Nov 2017

Project Page	https://www.adb.org/projects/49223-001/main
Request for Information	http://www.adb.org/forms/request-information-form?subject=49223-001

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