

Strasbourg, 25 July 2025

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CONVENTION ON THE CONSERVATION OF EUROPEAN WILDLIFE  
AND NATURAL HABITATS

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**Standing Committee**  
45th meeting  
Strasbourg, 8-12 December 2025

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**Bureau of the Standing Committee**  
16-18 September 2025 Strasbourg

**Open case file: 2021/8**  
**Possible threat to Rioni River from the Namakhvani Hydropower Project**  
**(Georgia)**

**- COMPLAINANT REPORT -**

*Document prepared by Green Alternative*

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**Update Report July 2025**

Ms. Alessandra Siino- Secretary of the Bern Convention  
Mr. Marc Hory - Project Manager  
Mr. Michaël Nguyen - Administrative and Project Manager

**Subject: Complaint No. 2021/08 - Possible threat to Rioni River from the Namakhvani Hydropower Project (Georgia)**

DEAR MS. SIINO,  
DEAR MR. HORY,  
DEAR MR. NGUYEN,

We hereby provide an update from the complainant regarding Complaint No. 2021/08, concerning the potential threats to the Rioni River posed by the Namakhvani Hydropower Project.

On November 13, 2024, a Paris-seated ICC tribunal ordered Georgia to pay [ENKA Renewables \\$383.2](#) million for terminating its contract to construct the Namakhvani hydroelectric power plant. This arbitration arose from an April 2021 investment contract related to ENKA's \$800 million project. The tribunal found that local protests over environmental and safety concerns led to a government moratorium in 2020, prompting ENKA to cite force majeure and breach of terms when terminating the contract in September 2021. The award includes \$270 million for the project's fair market value, \$52.4 million in tax gross-up, and other costs, along with interest. ENKA filed for enforcement in the US on January 16, 2025, due to Georgia's non-compliance.

This ruling raises critical questions about both ENKA's position and the Georgian government's actions. Notably, ENKA refused to participate in a mediation meeting on April 26, 2021, organized by the Energy Community Secretariat, which aimed to foster dialogue and cooperation.

Moreover, it is concerning that the Georgian government did not engage the European Energy Community during the arbitration process to counter ENKA's claims. The government also declined to involve local activists and civil society who raised concerns about the company's operations and has not disclosed findings from a thorough inspection conducted by the Ministry of Environmental Protection and Agriculture in July/August 2021.

Contrarily, in May 2025, the Prime Minister of Georgia [announced](#) the resumption of work on the Namakhvani, Nenskra, and Khudoni HPPs, claiming that protests against these projects were orchestrated by foreign agents. This statement overlooked ENKA's refusal to participate in the mediation process that included local activists and civil society. [Significant agreements](#) were reached during these discussions, including the necessity for an international independent review of the environmental documentation and a commercial review of the contract. The Energy Community Secretariat had tasked its in-house experts to produce a report based on the tasks defined in the agreed Terms of Reference (ToR). However, the selection process for reviewers was put on hold due to the ENKA's withdrawal from the project.

The recent appointment of Ms. Elene Ghubianuri as [the new Head of the LEPL National Environmental Agency](#), who previously served as the Government Relations Director at Namakhvani HPP, raises further concerns about potential conflicts of interest.

Tea Godoladze, Director of the Institute of Earth Sciences and the National Seismic Monitoring Center, [fled to](#) the US on January 26, 2025, citing fears of political persecution for [her opposition](#) to the government's environmental policies, particularly regarding the Namakhvani project. She has consistently warned that the dam's construction poses serious risks to local communities, including Kutaisi, Georgia's second-largest city. This situation is compounded by significant backsliding in Georgia's governance and recent threats directed at activists and civil society groups involved in these issues.

**Georgia's Environmental Permits Valid Despite Termination of Enka Contract**

Although the contract between Enka and the Government of Georgia has been terminated, the permits for the project remain valid. Authorities have indicated that the project could still proceed using budget funds. This approach contradicts the decision made by the 2023 Autumn Bureau, which urged the government to prioritize nature protection and fully cancel the projects. Additionally, court proceedings regarding the annulment of Environmental Decision N2-191 are still ongoing, extending for another year.

**National Energy and Climate Plan (NECP) Approval: Georgian Authorities Overlook Critical Feedback from Energy Community**

Despite receiving detailed feedback from the Energy Community, Georgian authorities made only superficial and formal edits to the National Energy and Climate Plan (NECP) before its approval on June 27, 2024. Among the critical recommendations from the Secretariat are the following:

- The draft Strategic Environmental Assessment (SEA) report must present comprehensive, reliable, and high-quality information.
- There should be clearly outlined measures to mitigate potential significant impacts, along with a robust monitoring plan.
- A thorough evaluation of the cumulative impacts associated with hydropower development, particularly concerning river basins, is necessary.

Additionally, the Energy Community notes that, despite the projected increase in electricity generation capacity, the NECP lacks detailed measures for developing and implementing a spatial planning policy. The absence of a comprehensive spatial planning framework could lead to disorganized development, increased conflicts over land use, and heightened risks to ecological balance and community well-being.

Incorporating a robust spatial planning policy into the NECP is essential for Georgia's transition to a sustainable energy future. By addressing the recommendations from the Energy Community, Georgian authorities can enhance the effectiveness of the NECP, ensuring that renewable energy development proceeds in an environmentally sound and socially responsible manner.

In summary, the inadequate response of Georgian authorities to the Energy Community's feedback reflects a concerning disregard for environmental and procedural standards. The heavy reliance on hydropower, coupled with insufficient spatial planning and a lack of consideration for cumulative impacts, undermines the integrity of the NECP and poses significant risks to local ecosystems and communities.