

To the Prime-Minister of Georgia, Mr. Mamuka Bakhtadze  
The President of Asian Development Bank, Mr Takehiko Nakao  
The President of European Bank of Reconstruction and Development, Mr Suma  
Chakrabarti

The organizations who signed the document are concerned about the implementation of the North-South Corridor, Kobi-Kvesheti road section by the Georgian government and international financial institutions, while the local and national risks regarding to the project have not been properly studied and public participation has been performed only for formality. The planned project threatens both the unique environment and cultural heritage of the Khada Gorge, and the well-being of the local population.

Construction of 23-kilometer highway totaling \$560 million costs. ADB and EBRD will provide loans of \$475 million to the Government of Georgia. The 23-kilometer road construction includes the following infrastructure: 5 tunnels, 11.4 km total length; The longest tunnel will be 9km. 6 bridges, total length 2 km. They include a huge 426m long and 166m high arched bridge.

The 9 km long Khada valley is an integral part of the Greater Caucasus Biodiversity Hotspot and such construction will cause irreversible changes in habitats and landscapes, alpine and subalpine ecosystems, water regimes, and endanger the existence of historic villages and cultural heritage. The highway directly crosses Kazbegi National Park and will affect bird watching areas. Along with habitat change and pollution, the project will reduce the number of species listed in the Red Book and spread the invasive species.

However, the project does not adequately assess the geological and seismological risks inherent in the site, including those characteristics of Khadistskali, Narvani and Milliona valleys: landslides, mudslides, avalanches, etc., their impacts on the proposed highway have not been assessed. Furthermore, these risks may increase if we take into account the ongoing, active process of climate change. Especially problematic is the proximity of the planned tunnels to the volcanic zones, especially the construction of a 9 km tunnel 800 meters below the ground in such a way that it is not known what impact the construction will have on the mantle's plume processes and vice versa.

Local people openly acknowledge both insufficient public participation in the decision-making process and pressure from the Roads Department to agree to inadequate compensation. At the same time, the state deprived the population of the right to register traditionally owned lands. The main concern of the local population was and remains the problem of having access to the central road, especially during the winter months. The project offers nothing to the population in this regard. Meanwhile, the project will have significant negative impacts on local residents both through deteriorating livelihoods (air and water pollution, groundwater change, noise and visual pollution), as well as economically (forced economic resettlement, reduced agricultural production, etc.).

The Khada valley, also called the place of 60 towers, which is inhabited since the Neolithic Age, is known for its cultural-historical heritage and artifacts. In the valley, which has been used for centuries as a key location for lookout towers, there are also numerous scattered religious buildings and epigraphic monuments. The study of project documentation assures that the impacts of the project and their mitigation are practically unexplored, such as impacts on architectural and archaeological sites, while the highway passes approximately 50-100 meters away to important sites and settlements.

Implementation of the project will adversely affect the recreational and cultural destination of the Khada valley, as well as the development of ecotourism, as tourists often visit the Khada for bird watching. Project`s effects mitigation activity - establishing a Visitor Center, can at best be perceived as cynicism, rather than an actual event. In order to develop tourism in the valley, it is essential to maintain the Khada valley primarily and to build small infrastructure that responds to the needs of the locals and preserves the valley's biodiversity and cultural heritage.

The main goal of the project is to enhance transportation and transit between the countries of the South Caucasus and Russia, which is also problematic due to the country's security concept. However, unfortunately, the project does not include cost-benefit analysis for the country, both in terms of land transport development and its impact on the country's fiscal parameters. Based on the above, the undersigned organizations request that the Government of Georgia and international financial institutions:

- Find another, optimal alternative in the north-south corridor with adequate public participation, what would eliminate the threat of destruction of the Khada valley and its population;
- Select that alternative which will have minimal impact on cultural and archaeological sites, local populations and biodiversity;
- Due to the geological risks in the region, it is essential to conduct in-depth geological and seismic studies that examine not only the project's environmental impacts, but also vice versa.
- Explore and present project cost-benefit analysis for public, taking into account the concept of country security.

Signatory organizations:

Society for Nature Conservation (SABUKO)

Association Green Alternative

National Trust of Georgia

Public Art Platform

Georgian Incoming Tour Operators Association

Georgian Young Lawyers' Association