HEIDELBERGCEMENT GEORGIA - COMPANY PROFILE

HEIDELBERGCEMENT GEORGIA

In May 2006, Germany’s largest cement producer HeidelbergCement acquired 51% of shares in Georgian Cement (“Kartuli Cementi”) LLC. Later, the company became a 100% shareholder of the enterprise. Georgian Cement LLC was registered in Georgia on 29 October 2001. According to the Registry of Entrepreneurial and Non-Entrepreneurial (Non-commercial) Legal Entities, the owner of the enterprise (until November 28, 2017) was HeidelbergCement Central Europe East Holding B.V. registered in the Netherlands on April 10, 1969.

In November 2006, HeidelbergCement released an announcement on further expanding Georgian Cement, the Georgian cement manufacturing company, and establishing a joint venture with Chemexim International Ltd (owner of Georgian Industrial Group Holding)¹. HeidelbergCement became an owner of 75% of shares in the new enterprise, and Chemexim International – of remaining 25%. Georgian Cement LLC (hereinafter, “HeidelbergCement Georgia” LLC) was registered in Georgia on April 20, 2004.

According to the Registry of Entrepreneurial and Non-entrepreneurial (Non-commercial) Legal Entities, the owner of HeidelbergCement Georgia is CaucasusCement Holding B.V., registered in the Netherlands on February 2, 2002, whose supervisory board members as of 2016 are: Gela Bezhuashvili, Robert Bezhuashvili, Klaus Alfred Schwind (Germany), Albert Scheuer (Germany), Christian Knell (Germany). According to the extract of November 21, 2017, the members of the company council are: Mathijs Coenraad Maria Cremers (the Netherlands), Inger Mirjam Westehof-Zweverink (the Netherlands), Albert Scheuer (Germany), Christian Mikli (Germany), Eduard Jurgen Verbeke, Max Kloosterhuis Giorgi Bachiaishvili and Irakli Rukhadze.

According to HeidelbergCement Georgia’s Financial Statement 2018, “as of 2018 and December 31, 2017, 100% owner of the company was the Netherlands-based CaucasusCement Holding B.V. (“immediate parent company”). As of 2018 and

¹ HeidelbergCement expands in Georgia
December 31, 2017, following information is available with respect to the owners of CaucasusCement Holding B.V.:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Ownership Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>HeidelbergCement Central Europe East Holding B.V. (hereinafter, HC CEE), a company registered in the Netherlands</td>
<td>45.00%</td>
</tr>
<tr>
<td>Cement Invest B.V., a company registered in the Netherlands</td>
<td>45.00%</td>
</tr>
<tr>
<td>Ms. Svetlana Lambrianova-Bezhuashvili, a citizen of Georgia</td>
<td>10.00%</td>
</tr>
<tr>
<td></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>

The ultimate controlling party to HC CEE is the German-based, currently operating company HeidelbergCement AG (hereinafter, “HC AG”). Cement Invest B.V. is subject to joint control of GCF Partners LLC and Hunnewell Partners.

**HISTORY OF COMPANY REORGANIZATION**

In 2017, HeidelbergCement started the consolidation of Georgian assets. HeidelbergCement Caucasus LLC (204430400) merged with HeidelbergCement Caucasus LLC (202394391) and HeidelbergBeton Georgia LLC (204559003). Prior to this, in 2009, Algeti-Minerali Ltd (216441660) merged with the Company.

On April 3, 2018, HeidelbergCement Caucasus LLC (204430400) itself merged with HeidelbergCement Georgia (230866435), which was joined by Rustavcement JSC (216291992), Meliza LLC (224071359), CaspiCement (230866747), Caucasiatrans (216439879) and LLC Quarryinvest (216439888).

The eventual owner of the consolidated company is CaucasusCement Holding B.V., registered in the Netherlands whose 50% of shares is owned by HeidelbergCement and the second half, as reported by HeidelbergCement, is owned by Cement Invest B.V., jointly managed by Georgian Co-Investment Fund and Hunnewell Partners.

It is of interest that, according to HeidelbergCement report of 2017, “on November 10, 2017, HeidelbergCement sold 55% of its shares in the fully consolidated Caucasus Cement Holding B.V. and its Georgian subsidiary companies: HeidelbergCement Georgia LLC, HeidelbergCement Caucasus LLC and Terjola-Quarry LLC. The price of the sale was 20.8 million EUR, which was paid in cash.”

**NEW CO-OWNERS**

**CO-INVESTMENT FUND**

Co-Investment Fund (GCF) was established in 2013 by Bidzina Ivanishvili, former Prime Minister and current manager of the ruling party Georgian Dream. According to information available at the GCF website,
“HeidelbergCement is one of the leading brands in the world’s cement and concrete market, operating in Georgia since 2006. In 2017, the GCF and Hunnewell Partners jointly acquired 50% of shares in HeidelbergCement Georgia for upgrading the Kaspi plant. With the support of GCF, a $100 million investment project at HeidelbergCement Kaspi plant was planned which envisaged full modernization of Kaspi cement plant and construction of dry line for clinker production that would significantly reduce production costs.”

According to the information that was released upon its establishment, the GCF is managed by GCF Partners LLC (404992718) registered in Georgia. Its shareholders were: Giorgi Bachiashvili - 42%, Levan Vasadze, Russian Federation, - 16%, and Ucha Mamatsashvili (Bidzina Ivanishvili’s close relative and trusted person in business relations) - 42%. As of today, 100% shareholder of the company and the Director General is Giorgi Bachiashvili. Levan Vasadze left the company in 2014, and Ucha Mamatsashvili - in February 2018.

According to the consolidated financial statement 2018, GCF Partners own 100% of two subsidiary companies: Marneuli Cement Ltd (404490298) and Tbilisi Technopolis Ltd (406129648). According to the statement, the company provides investment management, general management and other consulting services.

In 2014, the Company entered into Investment Agent and Investment Management Agreements with GCF Luxembourg SARL (Luxco, a private limited company established and operating under law of the Grand Duchy of Luxembourg) and GCF GP (limited liability company, registered under Cayman Islands law). In 2017, the Company entered into a General Management Services and Share Management Agreement with Georgian Tourism Development Fund LLC (GTDF, I/C 405033734, owned by JSC FRANKSTON INTERNATIONAL S.A., 754525/Panama/4).

HUNNEWELL PARTNERS

The company website says that Hunnewell Partners is the pre-eminent Private Equity firm in the Caucasus that manages assets in telecommunications, metallurgy (steel), real estate and media. It also says that Hunnewell Partners manages a successful litigation funding business on behalf of Park Street Litigation, which has invested in some of the largest cases in the English High Court in the last decade.

The company founding partners are Igor Alexeev, Ben Marson and Irakli Rukhadze. The website does not provide any other valuable information; however, extensive information about the company and its founders can be obtained in the case files of the UK High Court regarding the disposition of property of billionaire Badri Patarkatsishvili, who died in 2008, and a number of media publications that appeared during the court litigation5.

ENVIRONMENTAL ISSUES

According to the Financial Statement 2018 of HeidelbergCement Georgia, available on the website of the Service for Accounting, Reporting and Auditing Supervision (SARAS), “Georgia’s environmental legislation is evolving, and the

---

4 Co-Investment Fund conceals the owner of FRANKSTON INTERNATIONAL, 12 April 12, 2016, Tabula
London court ruled that search of assets of Patarkatsishvili, conducted by Irakli Rukhadze, was illegal, www.on.ge
forms of enforcement are constantly reviewed by government bodies. Potential liabilities that may arise due to changes to current regulations or laws as well as civil litigation cannot be assessed, however, they could have a significant impact. An important regulation to be considered by the management is the noise and environmental pollution regulations. Management annually submits reports on fulfilling norms related to noise and environmental pollution by cement plants. Moreover, if the Ministry of Environment Protection receives any complaint regarding activities of the enterprise, an unscheduled inspection is carried out. As the management says, the plants fully comply with the established norms and there is no risk of breaching regulations.

It is noteworthy that during the preparation of this report, the staff of Green Alternative made a field trip to collect information on the environmental and social impact of one of the plants of HeidelbergCement Georgia in Kaspi. Based on simple inspection and interviews with the population, a number of problems due to operation of the plant have been identified such as: polluted air, noise and dust generated during the plant operation, roads damaged by the movement of HeidelbergCement vehicles; disordered sewage system; chaotic waste in the town; health problems that people associate with the operation of the plant and lack of employment opportunities.6

For violations of conditions of positive ecological expertise for cement production at Kaspi plant issued on September 2, 2009, a protocol of administrative offence was drawn up on February 29, 2016 (for violation of conditions #1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 of the ecological expertise). To remedy violations of the environmental impact permit conditions identified as a result of the inspection, specific time limits have been determined for HeidelbergCement Georgia LLC.

In July 2017, the Environmental Supervision Department inspected the status of unfulfilled obligations within the time limits. As it turned out, the following obligations were still not fulfilled within the specified timeframe:

- Within the prescribed time limit (2 months), failed to submit to the Ministry for consideration a technical report on installing-passporting of air-dust collection device and ventilation systems together with actual efficiency data;
- Within the prescribed time limit (2 months), failed to submit to the Ministry for consideration information on technical report on noise monitoring in accordance with the noise suppressing activities plan;

6 Field Trip Report - Kaspi, Green Alternative, December 11, 2018
• Within the prescribed time limit (2 months), failed to submit a specific program for emission monitoring (self-monitoring) for consideration to the Ministry;
• Within the specified time limit (2 months), failed to submit to the Ministry for consideration the results of monitoring of ground-level atmospheric air at the boundary of the residential zone taking into account the operation of the different loading modes in the enterprise;
• During the inspection process the company failed to submit an updated waste management plan;
• Within the prescribed time limit (6 months), the company failed to collect separated hazardous and non-hazardous waste and place them in a specifically designated area in the enterprise;
• Within the prescribed time limit (1 month), the enterprise failed to separately collect waste and properly label household waste bins located on the enterprise area;
• Within the prescribed time limit (2 months), failed to submit to the Ministry for approval an emergency response plan and fully equip enterprise facilities with fire safety equipment;
• During the inspection process the company failed to provide documentation on systematic control of harmful atmospheric emissions;
• During the inspection process the company failed to provide documentation on periodic inspection of the effectiveness of air-dust collection system of the core technology line;
• Within the prescribed time limit (6 months), failed to set bounds to the enterprise area with evergreen plants at two levels;
• Within the prescribed time limit (2 months), the company failed to update and, within the same time limit, submit to the Ministry for approval draft norms on maximum permissible dispersion of harmful substances into atmospheric air;
• Within the prescribed time limit (5 months), the company failed to address technical issues related to unorganized emissions of the enterprise; as a result, protection of separation and emission sources, as it is presented in draft norms on maximum permissible dispersion of harmful substances into atmospheric air, as well as parameters of air-dust collection device are not ensured and norms on maximum permissible dispersion are not fulfilled;
• During the inspection process, the company failed to provide documentation of continuous monitoring/self-monitoring of harmful emissions from stationary sources of air pollution;
• During the inspection process, the company failed to submit an inspection plan for mitigation measures for emissions of harmful substances into atmospheric air in unfavourable meteorological conditions, developed in accordance with requirements of the Resolution #8 of the Government of Georgia dated January 3, 2014; one-month period was prescribed to fulfil this obligation;
• During the inspection process, the company failed to submit self-monitoring documentation of used and discharged waters;
• The company failed to provide documents on compliance of the wastewater generated in the manufacturing-technological process with the norm of maximum permissible pollutants discharged into the surface water facilities;
During the inspection process, it was established that HeidelbergCement Georgia LLC conducts water intake from the surface water facilities, although the issue of water intake from the river has not been determined in accordance with the environmental impact permit;

The inspection revealed that HeidelbergCement Georgia LLC did not comply with the recommendations/obligations as provided for in the EIA report.

On July 31, 2017, regarding the identified violations against the HeidelbergCement Georgia LLC, a Protocol #035963 was again drawn up. Based on the protocol, and by its Decree dated September 04, 2017, the Court found HeidelbergCement Georgia LLC to be liable for the administrative offence and imposed a fine of GEL 15,000. The Decree came into force and, in order to prevent the non-fulfilment of the permit conditions, the Ministry has once again defined reasonable time limits for HeidelbergCement Georgia. Only then did the company begin to fulfil conditions.

It is noteworthy that upon the enactment of the Environmental Assessment Code as of January 1, 2018, the Ministry of Environmental Protection and Agriculture has been obliged to publish a further analysis of activities on the Ministry’s website, which includes:

a) Monitoring of conditions and mitigation measures;

b) Analysis of environmental impact of the activity;

c) Assessment of changes in environmental characteristics provided for in the EIA report.

This obligation is not fulfilled even at the end of the second year after the Code’s enactment - neither in respect with HeidelbergCement Georgia nor any other enterprise. Information on the fulfilment of conditions is available only upon request of public information.

**Licences**

According to HeidelbergCement Georgia’s Financial Statement 2018, “the company has obtained several licences to extract minerals. In general, Georgian legislation obliges users of minerals to recultivate areas within their licences. However, Georgian legislation is not sufficiently sophisticated in this field and does not provide detailed guidance to include all possible situations. The company management has done a detailed analysis of all its licences and decided that it would not bear any substantial recultivation costs after expiration of these licences or during their use since it is impossible to recultivate areas used on the basis of licences because the licence area is defined as a mining area and, according to Georgian legislation, recultivation on such areas is not permitted. In addition, reserves of minerals in the licence area exceed the total amount that the company is entitled to extract during the licence period, which allows the Government to transfer mining rights to other enterprise and exclude ore liquidation. It is not excluded that the legislation may change in the future and has an effect on the company’s current licences. The company has not recognized recultivation accruals in this financial statement. These accruals can have a significant impact on the financial reporting if they become necessary.”

---

7 A letter from the Environmental Supervision Department #DES11800004242 of January 25, 2018 to the Minister of Environmental Protection and Agriculture.

8 Article 17, Environmental Assessment Code
Mining licenses of HeidelbergCement Georgia LLC - Extract from the Mining Licence Register of provided by the National Agency for Mines.

<table>
<thead>
<tr>
<th>Licence No</th>
<th>Title of the facility</th>
<th>Term of registration and validity</th>
<th>Volume of resources</th>
<th>Area</th>
<th>Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>397</td>
<td>Extraction of cement limestone from Kavtiskhevi deposit, Kaspi Municipality</td>
<td>29.09.00 13.10.00 20 years</td>
<td>129 ha</td>
<td>License issued to Georgian Cement LLC was transferred 13/326, 21.08.12</td>
<td></td>
</tr>
<tr>
<td>398</td>
<td>Extraction of cement limestone from Saskhori deposit, Mtskheta Municipality</td>
<td>29.09.00 13.10.00 20 years</td>
<td>114 ha</td>
<td>License issued to Georgian Cement was transferred 13/333 21.08.12</td>
<td></td>
</tr>
<tr>
<td>399</td>
<td>Extraction of cement clay from Kaspi deposit, Kaspi Municipality</td>
<td>29.09.00 13.10.00 20 years</td>
<td>102 ha</td>
<td>License issued to Georgian Cement was transferred 13/327, 21.08.12</td>
<td></td>
</tr>
<tr>
<td>1000440</td>
<td>Extraction of Kebaani limestone in Kaspi municipality, village of Kebaabi</td>
<td>28.02.12 25.02.27 total extraction 2 809 202 t</td>
<td>33.19 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1000791</td>
<td>Extraction of Gardabani clay (cement) from in Gardabani Municipality</td>
<td>21.08.12 23.12.28 total extraction 1 056 490 t</td>
<td>10,94 ha</td>
<td>License #100352 issued to Georgian Cement was transferred</td>
<td></td>
</tr>
<tr>
<td>1000792</td>
<td>Extraction of Kavtiskhevi limestone (cement) in Kaspi municipality, village of Kavtiskhevi</td>
<td>21.08.12 27.01.29 total extraction 10 239 112 t</td>
<td>43.99 ha</td>
<td>License #100394 issued to Georgian Cement was transferred</td>
<td></td>
</tr>
<tr>
<td>1000793</td>
<td>Extraction of cement limestone at Metskuri pit of Kavtiskhevi cement limestone deposit in Kaspi Municipality, near village of Kavtiskhevi</td>
<td>21.08.12 10.10.28 total extraction 2 723 292 t</td>
<td>9,9 ha</td>
<td>License #100214 issued to Georgian Cement was transferred</td>
<td></td>
</tr>
<tr>
<td>1000794</td>
<td>Extraction of flux (cement) limestone on the left pit of limestone deposit in Dedoplistskaro municipality</td>
<td>21.08.12 15.02.27 total 29048000 t clinkering process of no less than 500000t</td>
<td>26.7 ha</td>
<td>Licence #00469 issued to RustavCement was transferred Licence #100151 issued to Georgian Cement was transferred</td>
<td></td>
</tr>
<tr>
<td>1002574</td>
<td>Groundwater extraction (for entrepreneurial purposes) in Kaspi Municipality, near village of Kvemo Chocheti</td>
<td>19.05.15 20.05.40 657 m³/s</td>
<td>0.07 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1004276</td>
<td>Extraction of zeolite-containing tuffs (Darbaziskhevi pit) in Mtskheti municipality, near village of Dzegvi</td>
<td>14.02.17 15.02.37 total extraction 993 000 t</td>
<td>4.31 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1005253</td>
<td>Extraction of underground fresh water (for entrepreneurial purposes) on the area of town Kaspi, #2 Parnavaz str.</td>
<td>14.02.18 15.02.43 30 660 m³/s</td>
<td>0.07 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1005388</td>
<td>Extraction of underground fresh water (for entrepreneurial purposes) in Rustavi city, on adjacent area to cement plant and JSC Perlit</td>
<td>16.04.18 17.04.43 5000 m³/s</td>
<td>0.07 ha</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1005432</td>
<td>Extraction of underground fresh water (for entrepreneurial purposes) in city of Rustavi, on adjacent area to cement plant and JSC Perlit</td>
<td>02.05.18 03.05.43 800 m³/s</td>
<td>0.07 ha</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9 Mining Licence Register as of December 4, 2019. The documents is available upon request at the National Agency of Mines.
<table>
<thead>
<tr>
<th>Licence No</th>
<th>Title of the facility</th>
<th>Term of registration and validity</th>
<th>Volume of resources</th>
<th>Area</th>
<th>Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1005539</td>
<td>Extraction of limestone (cement) for processing Dzeqvi limestone deposit in Mtskheta municipality</td>
<td>30.05.18 29.10.20</td>
<td>200 000 t/year</td>
<td>12.5 ha</td>
<td>Amendment of mining licence #0652 issued to Georgian Cement Amendment (change of name) of licence #1004518 issued to HeidelbergCement Caucasus</td>
</tr>
<tr>
<td>1005540</td>
<td>Extraction of sand-gravel of the river Khrami in Marneuli Municipality, near village of Imeri</td>
<td>30.05.18 31.12.21</td>
<td>total extraction 109 200 83</td>
<td>3.64 ha</td>
<td>Amendment of licence #1004191 (change of name) Amendment to licence #1004494 issued to HeidelbergCement (change of name)</td>
</tr>
<tr>
<td>1005541</td>
<td>Extraction of Kavtiskevi sand/gravel on the river Mtkvari in Kaspi Municipality, near Mikeltskaro</td>
<td>30.05.18 26.01.21</td>
<td>total extraction 181 800 m³</td>
<td>6.06 ha</td>
<td>Amendment of licence #1003325 issued to HeidelbergBeton Georgia (change of name) Amendment to licence #1004493 (change of name) issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005542</td>
<td>Extraction of underground fresh water (for entrepreneurial purposes) on the territory of Tbilisi</td>
<td>30.05.18 28.04.41</td>
<td>29 200 m³/s</td>
<td>0.07 ha</td>
<td>Amendment of licence #1003564 issued to HeidelbergBeton (change of name) Amendment to licence #1004492 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005543</td>
<td>Extraction of underground fresh water (for entrepreneurial purposes) in Marneuli municipality, near village of Lezhibadini</td>
<td>30.05.18 23.11.41</td>
<td>35 000 m³/s</td>
<td>0.07 ha</td>
<td>Amendment of licence #1004099 issued to HeidelbergBeton Georgia (change of name) Amendment of licence #1004491 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005544</td>
<td>Extraction of manganese of Chkhari-Ajameti (Crystal Range) in Terjola Municipality, village of Nakhshirgele</td>
<td>30.05.18 13.09.27</td>
<td>total extraction 20 000 t</td>
<td>2.84 ha</td>
<td>Part of licence #00844 Amendment of licence #01011 issued to Georgian Cement LLC (change of name) Amendment of licence #1004470 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005545</td>
<td>Limestone extraction in Mtskheta municipality, near village of Nichbisi</td>
<td>30.05.18 07.11.26</td>
<td>total extraction 103 000 m³</td>
<td>10.7 ha</td>
<td>Amendment of licence #00370 issued to Georgian Cement LLC (change of name) Amendment of licence #1004469 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005546</td>
<td>Extraction of underground fresh water for household purposes (Well holes #1 and #2) on the company owned area in Rustavi (city)</td>
<td>30.05.18 27.09.32</td>
<td>360 m³/day</td>
<td>15-meter radius per each</td>
<td>Amendment of licence #00862 issued to Georgian Cement (change of name) Amendment of licence #1004468 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005547</td>
<td>Extraction of sand and gravel from the river Khrami in Marneuli Municipality, near to village of Imeri</td>
<td>30.05.18 01.09.22</td>
<td>total extraction 76 800 m³</td>
<td>2.56 ha</td>
<td>Amendment of licence #1004826 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
<tr>
<td>1005548</td>
<td>Extraction of sand from Metekhi II and from the river Mtkvari in Kaspi Municipality, near village of Metekhi</td>
<td>30.05.18 29.12.20</td>
<td>total extraction 645 600 m³</td>
<td>21.52 ha</td>
<td>Amendment of licence #1003254 issued to HeidelbergBeton Georgia (change of name) Amendment of licence #1004481 issued to HeidelbergCement Caucasus (change of name)</td>
</tr>
</tbody>
</table>
Profiles of Mining Licensees, a publication of Green Alternative in 2019, provides following information on an important mining area (partly HeidelbergCement Georgia licensing area) such as Dedoplistskaro municipality in Kakheti where limestone is extracted:

- Mining licence holders;
- License validity, area, volume of resources to be extracted;
- Forest covered area within the license perimeter;
- Loss of forest area over the past years;
- Agreements on special use of forest;
- Recultivation measures planned/implemented by the user of minerals;
- Compensation measures for forest ecosystems (restoration, renewal, promotion) and monetary compensation.

**INFORMATION ABOUT THE STATE OF ENVIRONMENT**

HeidelbergCement Georgia did not have a Georgian website as reported by Green Alternative in the company profile in 2017. Information about the company was available in a special section of the main website. The information
was only provided in English. In 2018, information is also available in Georgian. As it says, the company is running four cement plants and nine concrete plants. According to the website, the company owns cement plants in Kaspi (1) and Rustavi (2), as well as cement grinding mill in Poti, cement terminal in Supsa and 13 concrete batching plants. The company has more than 1200 employees in Georgia. The website contains information about the new structure after reorganization.

The website contains a brief description of the plants and products that might be useful for the product buyer; however, it provides no information on the extraction and processing of resources that is important for people who study the impact on the environment and health as a result of such processes.

HeidelbergCement Georgia does not provide the public with information on the damage caused to the environment and/or environmental conditions resulted from its activities; implemented and/or planned measures for environmental impact reduction and/or prevention.

Nor the Ministry of Environment Protection and Agriculture provides information about the environmental condition in the area affected by company activities, although, according to international and national legal requirements, this information should be accessible to the public proactively – without having to request the information. The last national report prepared on the environmental condition mentions that “in Georgia, sub-industries such as cement, gypsum-concrete and asphalt-concrete are characterized with extremely large-scale dust emissions. At present, the industrial sector in terms of atmospheric air pollution is represented by several large entities: in Kvemo Kartli – JSC Azoti owned by JSC Energy Invest, and JSC Rustavcement owned by HeidelbergCement Georgia LLC, in Shida Kartli – Kaspicement owned by HeidelbergCement Georgia LLC, and in Adjara - Batumi Oil Terminal LLC. However, the report says nothing about the types and scales of pollution as well as possible threats to the environment and population.

---

11 National 2010-2013 report on environmental condition
This document was produced under Green Alternative’s project “Advocacy for transparent and accountable mineral resources governance in Georgia”, project implemented in cooperation with the Heinrich Boell Foundation Tbilisi Office and under Green Alternative’s project “Improving governance in energy, mining and transport sectors in Georgia” implemented with financial assistance of the Open Society Foundations Network.

The content of this publication is the sole responsibility of Green Alternative and can under no circumstances be regarded as reflecting the views of the Heinrich Boell Foundation Tbilisi Office and views of the Open Society Foundations Network.

Author: Nino Gujaraidze

© GREEN ALTERNATIVE, 2019