Early Warning Alert: Rogun HPP Project ESIA March 2024

We are writing on behalf of Rivers without Boundaries, NGO Forum on ADB, CEE Bankwatch Network, Ecomaktab, Khorezm KIVA Center, UDASA, Nash Vek, Nukus Human Rights Initiative Group, International Socio-Ecological Union, International Rivers, Counter Current, Urgewald, Bank Information Center, Recourse, UWEC, Pakistan Fisherfolk Forum and Indus Consortium to follow up on earlier correspondence[1] expressing deep concern about approved and proposed financing for the Rogun Hydropower Project and associated facilities enabling its construction and viability. Although this letter explicitly pertains to the World Bank[2] [3] [4] and AIIB[5] [6] given the project information disclosed publicly by both institutions, we address this letter to all 15 development finance institutions identified in project documents as the "Rogun Coordination Group", as we understand all are potentially considering contributing loans, grants, or technical assistance to the Rogun HPP and/or its associated facilities.

Recently, from the World Bank's Concept Project Information Document[7] and AIIB's Project Summary Information, we learned that the World Bank, AIIB as well as EIB each may commit at least USD 200 million to support the Rogun Hydropower Project. Yet this proposed allotment of public financial resources of USD 600 million is a mere fraction of the over USD 6 billion estimated as required to complete the project – not considering further cost overruns in the years ahead.

The development of the Rogun HPP Project on the Vakhsh River is of great concern due to its enormous associated social and environmental risks, not only to Tajikistan but to the region as a whole. It has been the trigger of major geopolitical tensions and has potential to harm transboundary water management in Afghanistan, Turkmenistan, and Uzbekistan, since its enormous active storage capacity has the potential to bring dramatic change to the downstream flow regime, not to mention potential damage in case of structural problems or operational failures.

[1] On 18 January 2024, an initial letter was sent calling for region-scale open public discussion from RwB, CEE Bankwatch and NGO Forum on ADB. As we received no substantive response from the lead institutions supporting project preparation ("The Project Management Group"), now a wider group of concerned NGOs is taking this opportunity to once again write to your offices in order to bring your attention to our key concerns related to the project.

[2] P178819 - Technical Assistance for Financing Framework for Rogun Hydropower Project (2023) https://projects.worldbank.org/en/projects-operations/project-detail/P178819 ;

[3] P181029 - Sustainable Financing for Rogun Hydropower Project (2024) https://projects.worldbank.org/en/projects-operations/project-detail/P181029

[4] P145054, P181219, P167898 Central Asia South Asia Electricity Transmission and Trade (CASA-1000) (2014-2023)

[5] Rogun Hydropower Development Project (project preparation grant 2023) https://www.aiib.org/en/projects/details/2023/special-fund/Tajikistan-Rogun-Hydropower-Development Project.html

[6] Obigarm-Nurobod road (project preparation 2019) https://www.aiib.org/en/projects/details/2019/special fund/Tajikistan-Obigarm-Nurobod-Road-Project.html

[7] http://documents.worldbank.org/curated/en/099072123165041455/P1810290716f920e08543049a566c86b4c

It is in this context that we urge you as responsible senior management staff of your respective institutions to reconsider any support your institution may be considering – at the very least, until full, comprehensive, participatory consultations in each riparian state are conducted (as per respective safeguard standards and the Aarhus Convention commitments), a robust ESIA is undertaken with a comprehensive updated evidence-based options assessment, and up-to-date, verifiable data, as well as a thorough assessment of the range of the economic, social, environmental, climate, seismic, and geopolitical risks associated with the project. Below we outline some of these key risks and concerns.

1. **Stakeholder Engagement:** For a project affecting the ecosystems and populations across at least four countries and leading to resettlement of 46,000 people, facing physical and economic displacement, with at least 10 million river-dependent people living downstream, robust and safe stakeholder engagement in the ESIA consultations is a key requirement. This is greatly complicated by strong pressure on civil society in Tajikistan and adjacent countries, making voicing any criticism a great personal risk for civil society members[8]. In this situation, we are greatly worried that no mandatory "Stakeholder Engagement Plan" (for consultations on disclosable environmental and social documents before the ESIA is finalized) has been disclosed. We would like to know how plans for stakeholder engagement will incorporate appropriate measures to ensure the safety of civil society members[9] who participate in ESIA consultations and/or take action via grievance procedures, as to date, there is no such plan disclosed online or available in hardcopy of which we are aware. We are cognizant of the fact that on February 28, 2024 (two months after the initial ESIA disclosure by the World Bank) the Project Management Group posted a document in English titled "Stakeholder Engagement Plan (SEP)".[10] However, this plan fails to adhere to required safeguard requirements of the World Bank Group and other potential financiers, instead suggesting that all public consultation events related to the ESIA have already taken place. Notably, it also contains incorrect information on mandatory disclosure.

2. **Incomplete ESIA:** The current draft ESIA documentation is neither complete nor satisfies the World Bank's policy requirements. The Bank has already openly stated that it is unsatisfactory when on January 18 it published a terms of reference for the upgrade of the cumulative impact assessment[11]. The disclosed part of the ESIA is extremely fragmented, full of unverifiable qualitative assessment judgements and not supported by sufficient and up to date environmental and social data. Many key assessments and surveys on climate, hydrology, sedimentation, and biodiversity have not been completed yet at the time of the ESIA disclosure.

[8] https://www.amnesty.org/en/location/europe-and-central-asia/tajikistan/report-tajikistan/ [9] https://www.hrw.org/europe/central-asia/tajikistan

[10] http://energyprojects.tj/index.php/en/rogun-hpp/eko-sots-instrument/1224-stakeholder-engagement-plan1 [11] The original terms of reference for upgrade of the CIA, was available at the following link and date January 18 https://documents.worldbank.org/en/publication/documents

reports/documentdetail/099011824110541451/p1788191255c9f0d1a0471ef61753408b6 On January 25th the WB supplemented it with another "revised version" where pitfalls of the existing ESIA were no longer mentioned. https://documents.worldbank.org/en/publication/documents reports/documentdetail/099012524153061688/p17881918ee3270e1a837157b9b911b501 By February 18 the original January 18 TOR document, containing ESIA critique was removed. But still the Bank recognizes that cumulative assessment has to be redone.

Despite the Bank's requirements, most of the environmental and social-related documents have not been disclosed yet, including Volume 2 of the ESIA (annexes with detailed assessments), the resettlement policy framework and resettlement action plan (RAP), biodiversity management plan, among others. All necessary documentation should be disclosed well in advance of the informed consultations in the respective languages of the affected riparian populations.

3. **Area of Impact:** The scope of the ESIA assessment is overly limited by merely considering the area of impacts (AOI) of the project as the territory of the Rogun reservoir and the downstream area from the Rogun HPP to the Nurek HPP dam. In effect, the entire downstream section of the Vakhsh River and the Amu Darya River is excluded from detailed consideration in the ESIA. However, it is the impacts on the water regime of the transboundary Amu Darya that have been causing significant international friction over the Rogun HPP project. The justification for such limited consideration is that "The flow regime of the Vakhsh River will be significantly altered only between the Rogun and Nurek HPPs". Yet, numerous paragraphs of the ESIA and previous reports from the World Bank show that the Lower Vakhsh's and Amu Darya's flows may alter significantly, leading to a heavy ecological and social toll.
To be credible, it is critical that the ESIA be extended to consider downstream impacts all the way to the Amu Darya Delta - its confluence with the Aral Sea – in terms of forecasting the flow regime at each downstream river stretch as well as its dependent components: freshwater biodiversity, ecosystem processes (services) of the river, river-related socio economic activities (e.g. irrigation) and others.

4. **Inadequate Assessment of Flows:** We also insist that an accurate and trustworthy assessment of the possible impacts of the Rogun HPP requires an analysis of at least three main possible flow regulation regimes (operation patterns) mentioned in the ESIA: 1) contemporary, 2) maximizing energy and 3) "maximum water allocation for all users".[12]

[12] ESIA Volume I 4.11.24 in English version.

Impacts should be studied for years with low, average and high flow and for different climate change scenarios possible in Central Asia in the next 100 years – the lifetime of the Rogun

dam. Without such analyses, it is not possible to correctly assess all impacts of the Rogun reservoir on ecosystems and local communities located downstream from the Vakhsh hydropower cascade in Uzbekistan, Turkmenistan, Afghanistan and Tajikistan.
We are also convinced that the ESIA should consider the environmental and social impacts of all possible scenarios for filling the Rogun reservoir, including severe climate change scenarios, as there is reasonable doubt that sufficient water resources are available in the basin to fill the Rogun reservoir without undue harm to other countries, ecosystems and sectors of the economy. The assessment studies also must analyse the feasibility of implementation and necessity to improve the existing water-management agreements between the basin states in the light of those scenarios.

5. **Biodiversity Impacts:** The ESIA fully disregards potential impacts on the most important biodiversity features of the Amu Darya River basin, such as the Tugay Forests of the Tigrovaya Balka Nature Reserve World Heritage Site in the Vakhsh River floodplain, as well as two critically endangered species of shovelnose sturgeon inhabiting the Vakhsh and Amu Darya River (*Pseudoscaphirhynchus hermanni*[13] and *Pseudoscaphirhynchus kaufmanni*[14]). It was flood control by the Nurek HPP that previously led to the deterioration of the Tigrovaya Balka ecosystems, and now it may be further exacerbated by the creation of the Rogun reservoir.

[13] https://www.iucnredlist.org/species/18600/156719289
[14] https://www.iucnredlist.org/species/18601/120872031

The Terms of Reference for the current World Bank project "Update Environmental and Social Instruments for the Rogun HPP Project" point (i) prescribes that the preparation of the Biodiversity Management Plan "*will include working with Rogun and Tigrovaya Balka experts to assess the feasibility of having Rogun release water in a pattern and amount that at least partially mimics previously naturally occurring floods, which ended with the construction of Nurek HPP*". However, the Draft ESIA materials do not contain the results of such an assessment on the feasibility of environmental flow releases. It is clear that the ESIA's proposed "current operation pattern of flow regulation by hydropower cascade" will continue to have a negative impact on the World Heritage Site.

In order to justify maintaining this regime, the ESIA must include a study of these impacts on the outstanding universal value of the UNESCO World Natural Heritage property, as well as a study of impacts under other alternative operation pattern regimes. An environmental flow regime sufficient for safeguarding and recovery of the Tigrovaya Balka ecosystems should be designed as a part of those assessment studies. Climate change projections should also be taken into account. Endangered fish species' needs should be studied and safeguarded as well. Potential impacts on other remaining tugay (floodplain forest) ecosystems in the nature

reserves of Turkmenistan and Uzbekistan should also be assessed within the revised ESIA.

6. **Decarbonization Alternatives:** We consider the statement that "the Rogun HPP Project will significantly contribute to regional decarbonization in Central Asia" as inappropriate with no factual basis. The assumption appears to be that countries of the region will have to sign PPAs with Rogun Hydro and then wait for 10-15 years until Rogun HPP reservoir will be filled, satisfies domestic demand and starts delivering sizeable volume of "green energy". This is a very bad postponed scenario of decarbonization lagging with a very questionable economics as development of Rogun will cost far beyond USD 3000/kw installed capacity – several times more than other imaginable alternatives. Alternative decarbonization scenarios based on the current situation must be assessed as a part of this ESIA completion. So far, the ESIA relies on 2014 studies, which are by now completely irrelevant.

7. **Cumulative Impacts Assessment:** We agree with the recent World Bank requirement to upgrade the substandard cumulative impacts assessment. We insist that the ESIA should include a comprehensive assessment of the cumulative impacts of all existing and planned water and energy projects in the Amu Darya basin on its ecosystem processes, biodiversity, habitat quality and socio-economic well-being. It is likely that some variant of a strategic environmental assessment, such as a regional environmental assessment, rather than a "rapid cumulative assessment" would be most suitable for this purpose. We strongly doubt that any new consultant (yet to be hired) can perform a valid assessment before the end of April 2024 and ask the World Bank not to force undue haste when it comes to most important questions that should be assessed.

8. **Resettlement and Grievance Plans:** We are shocked that no resettlement policy framework and RAP has been presented so far. We also do not see any assessment of environmental and social impacts resulting from massive resettlement since 2015 till now. We do not understand how any valid local ESIA consultations in Tajikistan could be held in the absence of those documents and the ESIA document being translated into the Tajik language. We assume that resettlement of 46,000 people presents the highest risk as it is happening in a country with a clear track record of corruption[15], with a very problematic human rights record[16] and on-going cases of repression against local protesters, media[17] and human-rights activists[18]. We request disclosure of detailed resettlement documents and proof that there is a functional grievance mechanism in place which takes into account how to intake and address local grievances without putting requesters' safety and security at risk.

[15] https://www.transparency.org/en/cpi/2023/index/tjk
[16] https://www.hrw.org/world-report/2024/country-chapters/tajikistan
[17] https://rsf.org/en/country/tajikistan
[18] https://www.hrw.org/world-report/2024/country-chapters/tajikistan#c3ba16

9. **Poverty/socio-economic development:** The project may further reduce the well being of the relatively poor population. Stubborn overreliance on hydropower perpetuates winter blackouts due to water shortages and has been negatively affecting people of Tajikistan for decades. According to IMF, World Bank and OECD reports, so far, the Rogun HPP project has been the main impediment to the country's socio-economic development consuming 80% of state spending on infrastructure. Under pressure from international development finance institutions to institute fiscal austerity measures, the government is raising electricity tariffs. The ESIA fully omits those huge social impacts on poor and vulnerable populations that have been occurring in Tajikistan over the years while the initial stages of construction of the Rogun Hydropower Project have gotten underway. The proposed financing scheme will perpetuate this till 2028 and beyond. The project completion price tag, which is well over USD 6 billion and can only be expected to further grow in the future, is much larger than anything Tajikistan can borrow sustainably. We can only conclude that the development finance consortium appears to have created the label of "Phase 1" for the current proposed loan disbursement period (despite the project being under construction since 1976) without being able to design any sustainable finance scheme to complete this HPP. We protest this highly risky unsustainable approach and request all development finance institutions involved to demonstrate a credible project completion scenario and assess its social impacts as a part of the ESIA.

Conclusion:

The ESIA is completely inappropriate in its limited scope, low quality and omission of the key potential impacts. The ESIA consultation process, and riparian consultations in particular[19], cannot be considered meaningful as they were not based on appropriate stakeholder engagement plans and information disclosure so far has been insufficient to inform the stakeholders for proper participation in consultations.

We request that the ESIA be redone and in doing so, any new ToR for the new ESIA should be made subject to consultation with interested stakeholders and riparian countries. We trust you will consider these concerns with urgency given the pending decisions on financing for the Rogun Hydropower Project at your respective institutions, and look forward accordingly to a prompt response.

[19] http://www.energyprojects.tj/index.php/en/rogun-hpp/eko-sots-instrument/1215-esia-riparian consultation-summary

Please, respond to us with information how you will address each of issues listed above to the following addresses: coalition@riverswithoutboundaries.org and dustin@urgewald.org

Sincerely, 1. Rivers without Boundaries, Kazakhstan

2. EKOMAKTAB Eco-Resource Center, Uzbekistan

3. Union for the Defense of the Aral Sea and Amu Darya UDASA, Nukus, Uzbekistan
4. Human Rights Initiative Group, Nukus, Uzbekistan
5. Khorezm KIVA Center for Agroinnovations, science, education and business, Uzbekistan
6. Nash Vek Public Foundation, Kyrgyzstan
7. NGO Forum on ADB, Regional
8. CEE Bankwatch Network, Regional
9. International Socio-Ecological Union
10. International Rivers
11. CounterCurrent, Germany
12. Urgewald, Germany
13. Bank Information Center, USA
14. Recourse, the Netherlands 15.
UWEC Work Group, Regional 16.
Pakistan Fisherfolk Forum 17.
Indus Consortium, Pakistan