



Georgia
Veli solar projects

Non Technical Summary

Introduction

Veli LLC is a company established in Georgia that develops, owns and operates solar power plants (SPP). Veli owns presently 5 SPPs (total installed capacity: 12 MW) commissioned in December 2025, and is developing 5 more, thus targeting a portfolio of 10 SPPs.

The European Bank for Reconstruction and Development (EBRD) is considering providing financing to this portfolio. Solar power plants are located in Kakheti, Eastern Georgia, with a total installed capacity of 52.5 MW (all together referred to as the "Project").

The project is expected to be developed under EPC contract. O&M will be managed through an O&M contract.

The Project was categorized B in accordance with EBRD's 2024 Environmental and Social Policy. An Environmental and Social Due Diligence of the Project was undertaken in January 2026, in order to structure the Project as per EBRD's Environmental and Social Requirements (ESR). The present document aims at providing the public with general information about the Project.

What is Solar PV and why is it needed ?

A Solar PV plant is a power plant where photovoltaic panels installed on a dedicated area convert sunlight directly into electricity. Solar panels are mounted on metallic structure, and connected to electric equipment (named inverters and transformers) that allow injecting the produced electricity into the grid.

In a context where Georgia imports a significant portion of its energy, mainly natural gas. Solar PV reduces reliance on foreign energy sources, enhancing national energy security. Georgia enjoys high solar irradiation, especially in regions like Kvemo Kartli and Kakheti, making solar PV a viable and sustainable energy source.

As part of its EU association agreement and Paris Agreement goals, Georgia aims to increase renewable energy share to 30% by 2030. Solar PV is a key contributor. Georgia's energy mix is heavily reliant on hydropower, which is vulnerable to climate change. Solar PV diversifies the energy portfolio, ensuring reliability during dry seasons.

Project Description

The Project is located in Easter Georgia. It consists of 10 solar plants in different locations, as presented in Table 1 and Figure 1.

Table 1 - List of solar plants that for the Project

Project name	Output (MW, DC/AC)	Coordinates	Commissioning date
01 Jughaani	2.7/1.75	41°36'4.67"N 46° 0'3.88"E	September 2025
02 Khirsa	2.3/1.75	41°32'11.17"N 46° 5'48.18"E	
03 Kistauri	2.4/1.75	42° 1'1.42"N 45°16'31.47"E	
04 Kedi	2/1.75	41°25'0.44"N 46°24'4.27"E	
05 Gamarjveba	2.7/1.75	41°29'31.72"N 45°57'27.37"E	
06 Patardzeuli 1	2/1.75	41°43'33.18"N 45°14'9.83"E	Tentatively: February 2027
07 Patardzeuli 2	2/1.75	41°43'50.58"N 45°12'55.57"E	
08 Badiauri	2/1.75	41°37'49.39"N 45°32'53.63"E	
09 Sagarejo 1	2/1.75	41°40'18.20"N 45°24'24.36"E	
10 Patardzeuli	31/25	41°37'2.45"N 45°13'27.38"E	Tentatively: December 2027

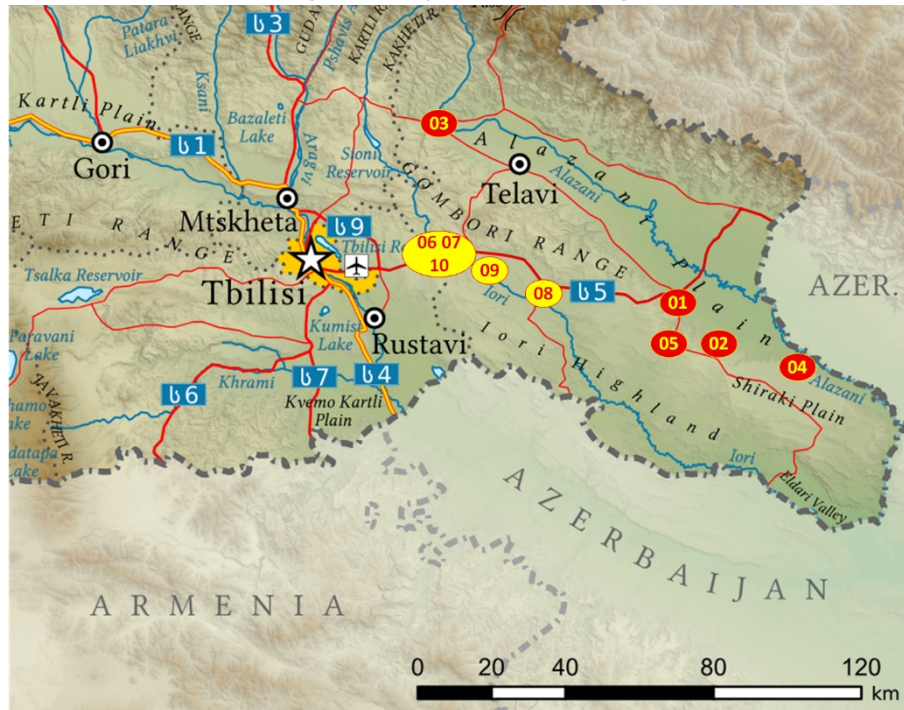
The 9 small¹ Solar Power Plants (SPPs) are readily accessible from nearby asphalted roads – eventually with a final access through an earth road.

The 10th and largest site, Patardzeuli has the longest access road. This earth road is around 10km. To the difference with the 9 small sites that can be reached by foot from the closest asphalted road in case of harsh winter conditions, Patardzeuli site can be difficult in case of severe snow/rainfall.

When access roads are in good conditions, it takes 30 minutes to 2 hours to reach the sites, depending on their distance to Tbilisi.

¹ those with an AC capacity of 1.75 MW, corresponding to the first 9 projects in Table 1

Figure 1 - Project's location map



Implementation

Solar Power Plants:

All **5 existing SPPs** were built by Peri, a large Georgian construction company, and are also being operated & maintained by Peri, through a dedicated O&M contract. Veli owns the land and the assets.

All **5 under development SPPs** will be engineered, built and operated & maintained by Peri. Veli will own the land and the assets, and manage procurement. Given their limited size, all greenfield sites can be built within a few months, and in any case in much less than one year.

Connection to the grid:

All **9 small SPPs** are/will be connected to the closest substation through an underground cable. Meters are installed inside the substation; they mark the limit between assets owned and operated by the grid operator, and assets owned by Veli. The underground cable remains under the property of Veli.

The **large SPP**, Patardzeuli, will have a substation within its territory that will be connected to a nearby 110 kV line through an overhead loop-in loop-out. The overhead line will be

built by a contractor selected and supervised by the grid operator (GSE), and will later be operated & maintained by GSE, without any intervention by Veli.

Physical impacts and mitigation measures

The main physical risks and potential impacts are related to the construction phase and include:

- Increase of vehicles traffic with associated accident risks on the access roads to the PV construction site;
- Local increase of noise, exhaust emissions and occasional obstruction of passage during construction;
- Limitation of access to the fenced PV site;
- Risk of erosion inside the PV territory in case of poor vegetation management (e.g. use of herbicides).

Biodiversity impacts and mitigation measures

Baseline: Site visits, literature review and conservation databases review were undertaken in order to identify the biodiversity species possibly present in the Project area. Based on the IUCN red list database and context, the focus is on flora, as well as on the Iovris Zegani KBA conservation objectives, for the two sites that are located near the limit of this KBA: Sagarejo 1 and Badiauri sites, both greenfield PV sites, respectively on a cultivated land plot and on a degraded grassland.

The field visits confirmed that the land plots acquired for the project sites primarily consist of heavily modified habitats: former land used for technical purposes, agricultural land, overgrazed and degraded pasture land. The presence of flora species of conservation interest is planned to be checked before construction for sites located on grassland, and conservation actions will be undertaken if present.

Mitigation measures: One site (Badiauri) is possibly occasionally visited by tortoises (*Testudo graeca*): specimen will be collected and relocated before construction, if any detected. All sites fences will be built with openings aimed at leaving passage for small vertebrates (tortoises, fox, etc...) in order to preserve ecological continuity and avoid rodents proliferation.

Solar panels will be sufficiently elevated (minimum height above ground : 0.7 meter) to limit vegetation management and allow agrivoltaics - meaning that sheep grazing can be organized in a controlled manner as part of the site-specific vegetation management plans.

Social impacts and mitigation measures

Employment: It is expected that a significant share of the workforce will be sourced from neighbouring settlements.. Workers mobilized for the Project's construction and operation will be formally (in writing) contracted, and their employment conditions will follow the Georgian legislation, EBRD ESR2 and the Project's Human Resources Policy. No workers accommodation is planned for the small projects, because of the proximity of settlements. Accommodation will be built in Patardzeuli SPP only, for guards and O&M teams. No informal employment will be tolerated, and a code of conduct will be disseminated to workers.

Land acquisition and livelihoods: The Project acquired the land plots for the PV plants from their previous owners, through willing buyer-willing seller agreements. The only livelihood loss risk comes from the loss of grazing land: this risk is mitigated by using elevated solar panels, and organizing sheep grazing under the panels and in coordination with the overall vegetation management planning. No expropriation and no economic or physical resettlement are triggered by the Project.

Disturbances: Noise and traffic are the main disturbances expected during the construction period – this is not considered a significant issue, because none of the sites is adjacent to residential houses. Traffic risk during solar panels supply will be concentrated at the interface between asphalted roads and PV sites earth roads, for PV sites located close to asphalted roads with intense/rapid traffic. The Project will put in place traffic signage during construction.

Leisure and tourism: The PV sites are not located in areas of high interest for leisure or tourism activities.

Visual impacts: The PV site will hardly be visible from the main roads, and will not impact any valuable landscape.

Public health: The Project construction and operation will not generate any health risk for the surrounding population.

Workers health and safety: The EPC contractor will prepare specific Health, Safety and Environment Management Plans.

Actions to ensure proper management of Environmental and Social Risks

For the management and monitoring of identified risks and impacts, Veli has committed to an Environmental and Social Action Plan for the project, which includes the key commitments required to ensure effective management of all environmental, social and

safety considerations for the Project and compliance with EBRD E&S requirements as well as Georgian law . The key actions of this plan are:

- **Management and Compliance:** The project will appoint dedicated Environmental & Social (E&S) and Health, Safety, and Environment (HSE) resources to oversee compliance with national and EBRD standards. All necessary permits and authorizations will be obtained and maintained, with a focus on transparency and accountability.
- **Labor and Working Conditions:** The project prioritizes fair labour practices, including written employment contracts, equal opportunities, and a safe, inclusive work environment. A grievance mechanism will be established to address worker concerns, and isolated work will be minimized for safety.
- **Environmental and Biodiversity Protection:** Measures include responsible waste management, sustainable vegetation management, and a ban on herbicides. Site-specific actions will be implemented for particular sensitivities (tortoises, flora...)
- **Social inclusion:** The project will provide local jobs during construction, and will implement agrivoltaics to support local shepherds.
- **Community Engagement:** A Community Liaison Officer will facilitate stakeholder engagement and address community concerns through a transparent grievance mechanism.

Summary of the ESAP Actions

The Environmental and Social Action Plan (ESAP) for the project provides a framework to manage potential environmental, social, and health and safety impacts associated with the Project. The ESAP is designed to ensure compliance with national legislation, EBRD's 2024 environmental and social policy, and international best practices, while promoting sustainable and inclusive outcomes for local communities and project stakeholders.

The ESAP outlines the mitigation measures, monitoring activities, and responsibilities for managing environmental and social risks throughout the project lifecycle - from construction to operation. Key mitigation measures outlined in ESAP include:

Under **ESR1**, the Borrower will establish and operationalise a project-level Environmental and Social Management System (ESMS), including clear governance arrangements, defined roles (e.g. ESAP Owner, HSE Manager, CLO), and monitoring/reporting systems covering HSE performance, land access, grievances and ESAP implementation. This includes contractor oversight through HSE Management Plans, maintenance of permitting registers, and the strengthening of supply chain management systems with risk-based due diligence, traceability requirements (including for solar components), and

change control over Bill of Materials. Formal grievance and whistleblowing mechanisms will be implemented and made accessible to workers, communities and suppliers.

Under **ESR2**, measures focus on ensuring fair labour and working conditions, including provision of written employment contracts in languages understood by workers, compliance with working hours and benefits requirements, adequate welfare facilities, and the cascading of labour and occupational health and safety obligations through contractor and subcontractor chains.

Under **ESR3**, the Project will implement resource efficiency and pollution prevention measures, including requirements for recycling and responsible disposal of solar panels and development of waste management procedures within contractor HSE plans covering handling, storage and disposal of hazardous and non-hazardous waste streams.

Under **ESR4**, the ESAP requires robust occupational health and safety management during both construction and operation, including preparation and implementation of OHS management plans, worker training, incident recording, and emergency preparedness. Additional measures address traffic safety, community disturbance management, and worker accommodation in line with EBRD/IFC guidance

Under **ESR5**, the Project will manage land-related impacts primarily through stakeholder engagement and design mitigation, including consultation with affected land users, provision of alternative access arrangements during construction, and integration of agrivoltaics where feasible to support local livelihoods

Under **ESR6**, biodiversity risks will be managed through pre-construction ecological surveys, implementation of site-specific mitigation measures, vegetation management avoiding pesticide use, and design adaptations (e.g. fencing) to enable fauna movement.

Under **ESR8**, a chance find procedure will be implemented to manage potential cultural heritage discoveries during construction

Under **ESR10**, stakeholder engagement will be ensured through implementation and periodic update of the Stakeholder Engagement Plan (SEP), alongside effective disclosure and functioning grievance mechanisms for both workers and external stakeholders.

Overall, ESAP implementation is required prior to and throughout construction and operation, with defined monitoring, reporting (including periodic reporting to EBRD), and verification mechanisms to ensure compliance and effective management of environmental and social risks and impacts across all project components.

How Will the Project ensure Communication and Monitoring

In line with EBRD's environmental and social policy requirements, the project will ensure that relevant information is proactively shared with the host community and other stakeholders. This includes clear communication on the risks and opportunities associated with the Project, planned mitigation measures, and opportunities for feedback. A grievance mechanism is established to enable timely and effective responses to any enquiries or complaints, ensuring transparency and inclusiveness throughout the project lifecycle.

A Stakeholder Engagement Plan (SEP) was developed for the Project and it will be publicly available, together with this Non-Technical Summary.

The SEP provides a framework for the Project stakeholder engagement and will be amended and further developed as the Project progresses with the aim of ensuring meaningful consultation with stakeholders and communities throughout the Project lifetime.

The SEP includes provisions for the Grievance Mechanism. The Grievance Mechanism will be disseminated by the Company prior to construction start and will be accessible by anyone to raise complaints and comments in relation to the Project and ensures that any complaint raised is addressed and responded. Grievances may be reported through a series of channels for the Company's consideration, including Project's subcontractors in the course of their duties as well as through the appointed Community Liaison Officer (CLO). Grievances may be identified through the following reporting channels:

- verbally to the CLO or other relevant Contractor Team members;
- verbally through the Community Grievance Mechanism telephone hotline;
- in writing via a form on the Project website or in the dedicated boxes available in the Project's sit-e and neighbouring community.

Anonymous grievances will be accepted. To ensure facile access to the Grievance Mechanism, a number of interfaces have been established including a Grievance Form that can be used for submitting a grievance. The company will also appoint a CLO that will work as an interface between the developer and the local community.

The tools and the methods to be used for the information disclosure during Project phases will include:

- Internet/Website:
- Information Sheets including the Project Information Leaflet (to be available at website and the grievance boxes).

To get in touch with the Project team for any feedback, questions or complaints, stakeholders will be able to contact the Project Company' Community Liaison Officer via email or mobile phone. If you are interested by the project and wish to receive further information, or if you have any grievance, please liaise with the CLO:

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