BUCERIUS LAW SCHOOL
HOCHSCHULE FÜR RECHTSWISSENSCHAFT

12th Bucerius Mediation Competition 2026

ROUND 3

Shade over Khalipauri

by Vakhtang Gulua, Katty Miluska Borda Yupanqui and Ifunanya Nna-Ude

GENERAL INFORMATION

Khalipauri is a farming village of 3,200 people. Above the village is a copper and cobalt mine run by Beaver C&C JSC. The mine employs 180 local people. Many families live from both: one person works at the mine, while others keep sheep, dairy cows or grow crops.

The Khalipauri Agricultural Cooperative owns 260 hectares of valley land on behalf of 212 member households. Its largest shared pasture is South Field, 60 hectares of flat, sunny grassland next to the mine's power line. More than forty households graze sheep and young dairy cattle there. In a normal year they earn about USD 90,000 from it, after costs. The last two summers were very dry, the field turned brown by July, and members had to buy extra feed.

Most of Beaver's cobalt is sold to Elemento PLC, a large battery maker. Last spring Elemento announced new rules for its suppliers. By the end of next year, at least half of the electricity a supplier's mine uses each year must come from renewable energy produced on or next to the site. Elemento says these rules are part of the clean future it wants to build. Suppliers must also show good relations with their local communities. Elemento has had its own conflicts with local communities in the past and wants to avoid any further disputes or scandals. Beaver's mine currently runs on diesel generators and grid power. Energy prices across the region have risen sharply in the last two years.

Beaver wants to build a solar park on South Field. It has offered a 25-year lease at USD 600 per hectare per year (USD 36,000 a year in total). Its plan uses a standard design: low panels set close together, with a security fence around the park. No animals could graze there. Building it would create about 40 local jobs for six months.

Under a community agreement signed eight years ago, Beaver must get written permission before entering Cooperative land. It must also consult the Cooperative on any project that affects farming. Two months ago, surveyors working for Beaver entered South Field without written permission to measure sunlight. Farmers found them there and asked them to leave. Beaver says the survey company misunderstood its instructions. A week later, a Beaver brochure described South Field as “wasteland”. Members were furious.

The Cooperative has refused the offer. It says it will not give up the field, and that a park with no grazing could only be discussed at a rent of USD 2,500 per hectare per year. Beaver says this is far above any market rent, and that it needs a signed agreement within eight weeks.

Alex Bokoveli chairs the Cooperative and runs a family dairy farm. Daniel Loladze is Beaver's regional director. They grew up on neighbouring farms in Khalipauri, and Daniel is godfather to Alex's daughter, Mia. Ten years ago they set up a mining apprenticeship programme for village teenagers together, and both were proud of it. The programme stopped taking new apprentices two years ago, when Beaver's head office cut its budget. Since then, relations between them have cooled off.

The Cooperative has asked for mediation. Alex and the Cooperative's lawyer represent the Cooperative. Daniel and Beaver's lawyer represent Beaver. Both teams have full settlement authority. The Cooperative can lease its land, make rules for shared grazing, and sign power contracts on behalf of the dairy farms that take part. It cannot sell land or make promises about anyone's job at the mine. Neither side can bind the village assembly but both can lobby with varying likelihoods of success.