

WRITTEN QUESTION P-2199/06  
by Paulo Casaca (PSE)  
to the Commission

Subject: Sakhalin II and the EBRD

Sakhalin II is the largest integrated oil and gas project in the world. It is located at Sakhalin Island, Russian Far East. The project consists of two off-shore oil platforms, and sub-sea pipelines to the shore at the north-east side of the island. The necessary investment is estimated to be approx. USD 20 billion. The project is a combined project of Shell, Mitsubishi and Mitsui.

The sea adjacent to Sakhalin is the only feeding ground of the last remaining population of the western grey whale (*Eschrichtius robustus*). Only approximately 100 animals of this population have survived. According to the IUCN, the World Conservation Union, the Sakhalin II project threatens this population with extinction.

The European Bank for Reconstruction and Development (EBRD) will in the very near future decide on a loan of 300 million USD for this project. 60% of the Sakhalin II project has been completed to date, and serious violations of Russian legislation and EBRD environmental policy have already occurred. Some of these violations caused irreversible consequences. Thus this project as currently planned will never comply with the environmental policy of the EBRD, nor indeed with the Equator Principles of the large International Financial Institutions. The European Commission is represented on the Board of Governors and the Board of Directors of the EBRD.

Will the European Commission, when the Board of the EBRD decides on the requested loan to the Sakhalin II project, make it clear that as long as the Sakhalin II project does not comply with the environmental policy of the EBRD and with the Equator Principles of the large International Financial Institutions, participation of the EBRD in the project is unacceptable for the EU, and vote accordingly?