

CEE Bankwatch Network Na Rozcesti 1434/6 190 00 Praha 9 - Liben Czech Republic

Email: main@bankwatch.org http://www.bankwatch.org

TO:

Ms Sue Barrett, Director for Transport, EBRD One Exchange Square London EC2A 2JN United Kingdom

Bulgaria:

Centre for Environmental Information and Education (CEIE)

For the Earth!

Czech Republic:

Centrum pro dopravu a energetiku Hnuti Duha

Estonia:

Estonian Green Movement-FoE

Georgia

Green Alternative

Hungary:

Nature Protection Club of Eotvos Lorand University (ETK) National Society of Conservationists-FoE (NSC)

Lithuania:

Atgaja

Macednia:

Eko-svest

Poland:

Polish Green Network (PGN) Institute of Environmental Economics (IEE)

Russia:

Sakhalin Environment Watch

Slovakia:

Friends of the Earth - Center for Environmental Public Advocacy (FoE-CEPA)

Ukraine:

National Ecological Centre of Ukraine (NECU)

CEE Bankwatch Network's Mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

cc. Mr Alistair Clark, Corporate Director, Environment and Sustainability, EBRD

cc. Mr Eric Rasmussen, Director, Corporate Sector/Head of Office Russian Federation head office, EBRD

cc. Ms Biljana Radonjic Ker-Lindsay, Manager, NGO Relations, EBRD

Dear Ms Barrett,

Re. Moscow-St. Petersburg motorway

Bankwatch has recently been contacted by Ms Evgenia Chirikova from the Save Khimki Forest initiative from Khimki near Moscow in relation to the EBRD's planned investment in the Moscow-St. Petersburg motorway.

As you may be aware, the Save Khimki Forest Initiative is concerned about plans to route the Moscow - St. Petersburg motorway through the Khimki Forest Park, which is a protected natural area and a habitat for elks, boars and other wild animals and is a unique wildlife area in the heavily built up Moscow region.

We would like to ask the EBRD some questions relating to the project, following on from the letter sent by Ms Chirikova on 16.07.2009 calling on the bank not to finance the project due to its impacts on the Khimki Forest.

1) Taking into account that the construction is planned to start in the end of this year, how does the EBRD plan to ensure adequate stakeholder consultations on the environmental impact of the motorway before any decision is taken to finance it?

- 2) What actions does the EBRD intend to take to ensure that the perpetrators of the November 2008 beating of local journalist Mikhail Beketov are brought to justice and that those raising their voices in defence of Khimki Forest or on other aspects of the motorway are not threatened or physically attacked?
- 3) What guarantees does the contract for the project give to the concessionaire if the traffic and therefore toll income levels are below those expected? Approximately how many vehicles would have to use the motorway daily to achieve the planned incomes? How much compensation is promised if this traffic level fails to materialise, and from which budget line will it be taken?
- 4) What operational risks does the contract allocate to the concessionaire, apart from availability risk? Does the concessionaire bear some financial operational risk?
- 5) Was an option to build the motorway through public procurement assessed, including an option with a turnkey contract? If so, is the calculation available to the public?
- 6) How does the EBRD rate the tender procedure? As there is rather little information publicly available about it, we would be interested to know whether it proceeded according to the EBRD's standards.
- 7) Is the contract for the project to be made publicly available, to ensure that the public is able to assess that appropriate allocations of risk and rewards have been made?
- 8) What price rises have taken place in the project since 2004 and what were the reasons for these?

I thank you for your time and look forward to hearing from you,

Yours sincerely,

Ms Pippa Gallop

Research Co-ordinator and Interim EBRD Co-ordinator

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