

22 April 2013

To: President Chakrabarti, EBRD

Cc: Alistair Clark, Corporate Director, Environment and Sustainability Department
Riccardo Puliti, Managing Director, Energy and Natural Resources

Dear President Chakrabarti,

Nuclear reactors lifetime-extensions must be consulted with neighbouring states

We are writing to inform you that it is officially acknowledged that Ukraine is in non-compliance with the UNECE Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention) in relation to the extension of lifetime operations of two nuclear reactors at the Rivne NPP¹. Upgrades to these units are to be financed from the EBRD loan to Ukraine nuclear power plant safety upgrade programme, approved by the EBRD Board of Directors on March 12, 2013. We urge the EBRD to freeze disbursement of the loan until Ukraine resolves the current non-compliance with its international obligations.

The EUR 300 million loan for the Ukraine Nuclear power plant safety upgrade programme is to finance modernizations to all Ukrainian operating nuclear units, including those whose design lifetime has ended or is about to end. This investment was approved while it has been clearly pointed out to the EBRD that a nuclear units' lifetime extension agenda is being pursued by Ukrainian government and that the bank's financing clearly contributes to and enables such an agenda.

The Implementation Committee under the Espoo Convention concluded at its 27th session in March 2013 that "Ukraine had not applied the Convention in relation to the planned extension of the NPPs and that extension of the life-time of NPPs, even in absence of any works, was to be considered as a major change to an activity and consequently subject to the provision of the Convention²". The two involved nuclear units at the Rivne NPP that are part of the EBRD's financed project got their life-time extensions in 2010 without preparing an environmental impact assessment (EIA) and with no information provided to potentially affected neighbouring states. It has been officially ruled by the competent body to be a case of non-compliance with Ukraine's international obligations. Moreover, the process of decision-making on the possibility of lifetime extension of another expired unit – South Ukrainian Unit 1 – is close to completion and again without an EIA prepared and consulted.

"The requirements of national law with respect to public information and consultation, including those laws implementing host country obligations under international law must always be met³".

Therefore, we believe that the EBRD should freeze disbursement of the loan until Ukraine resolves the current non-compliance issue to the satisfaction of Espoo Implementation Committee. As a public bank, the EBRD has the duty to use its financial and political leverage to stimulate the Ukrainian government to eliminate existing non-compliance with

¹ Reactors # 1 and 2 at Rivne nuclear power plant;

² Letter by Espoo Implementation Committee to the Ministry of Environmental Protection of Ukraine from March 25th, 2013;
<http://www.ecoclubrivne.org/files/Espoo13.pdf>

³ EBRD Environmental and Social Policy (2008), p. 69

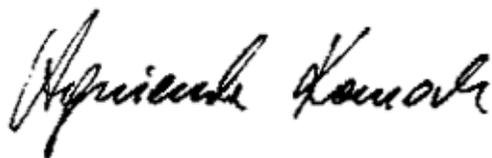
international law and restore the right of European citizens to be informed and consulted about the extension of the nuclear programme in Ukraine.

Yours sincerely,

Mark Fodor,
Executive Director, CEE Bankwatch Network



Agnieszka Komoch, acting director, Friends of the Earth Europe (FoEE);



Patricia Lorenz, campaigner, GLOBAL 2000, Austria;

Jan Haverkamp, expert consultant nuclear energy and energy policy, Greenpeace CEE;



Andriy Martyniuk, Chairman of the Board, Ecoclub Rivne, Ukraine.

