Mr. Jonathan SCHEELE
Director of DG TREN.B, Transport Logistics, TEN-T and Co-modality
European Commission

CC: Mr Peter CARL
Director General, DG Environment
European Commission

Brussels, 28th May 2008

SUBJECT: FOEE and Bankwatch letter regarding the EU and EIB funds for ill-conceived projects

Dear Mr. Scheele,

Thank you very much for your letter of 19th May. We welcome your confirmation of the Commission's commitment to not allocate funds for any project which did not go through a proper assessment procedure. We are grateful also for the explanation of the co-financing in principle procedure you adopted for the TEN-T fund. In that regard we want to stress again our appeal to DG TREN and in general to the EC to strive for quality of milestone documents such as EIA and SEA. The value of the EU funds in stimulating and educating about best practices for project development in many cases could outweigh the benefits of the development of the financial assistance.

Particularly on transport projects, DG TREN should insist that in the case of TEN-T transport projects they are subject to an assessment of the entire transport corridor including its cumulative impacts, possible alternative routes and possible more cost-effective alternatives in terms of different transport modes or a combination of transport modes. We are firmly convinced that impact assessments (EIA and SEA) are crucial planning instruments which facilitate the integration of sustainability objectives into regional development so that alternative options are assessed and weighed up against the concrete problem or objective of a given region/city and the best option for development is chosen.. The assessment of DG TREN for the amount of the money that need to be invested in TEN-T (around EUR 520 billion, of which around,EUR 240billion for the 30 priority projects by 2020) raises even more the need to use the limited EU funds only for projects demonstrating thorough consideration of alternatives. The strategic assessment for the Via Baltica motorway in Poland, for instance, demonstrates that the SEA of corridors is effective instrument for decreasing the cost of the project and limiting the negative impact on NATURA 2000 Network. We believe that the newly established instrument for technical assistance, JASPERS, could play also more prominent role in helping Member states for assessment of the quality of the EIA, SEA and other assessment documents.

We would like to insist also for more transparency of the appraisal process done by the EC for major financed by the Cohesion and Structural fund and also for TEN-T projects financed through TEN-T fund. We want to call upon the EC to publish the list of projects that are currently under appraisal (with short project description), the stage of

appraisal and when the approval is expected. These are minimum standards for transparency of the decision-making that is applied by all public financial institutions and even by a large number of private banks. We also believe that JASPERS should provide its services in a transparent and accountable manner by publishing the documents for technical assistance for each project on their website.

We are convinced that both the European Commission and our organisations share the same goal of pursuing sustainable regional development, where EU funds are the main financial instrument for delivering this. We greatly welcome a more systematic collaboration with the Commission in the future with regards to the decision-making and monitoring of potential projects in CEE countries.

Looking forward to hearing from you.

Yours sincerely,

Magda Stoczkiewicz, Director, Friends of the Earth Europe

Anelia Stefanova, EU Affairs coordinator, CEE Bankwatch

Keti Medarova-Bergstrom, EU Funds coordinator, CEE Bankwatch / Friends of the Earth Europe