



17 December 2010

Dear President Mirow,

After several months of speculation and uncertainty about the final routing of the Moscow – St. Petersburg motorway, it was finally announced this week that the Russian authorities have decided to stick with the original routing of the motorway through Khimki Forest. According to an independent opinion poll this route is opposed by 67 percent of Muscovites¹. It is also a route whose proponents have not hesitated to use brutal attacks on activists and journalists to get their way. While the EBRD has repeatedly expressed its concerns about the project development process for this project, it has so far refrained from making any final decisions on whether to finance the road or not. **We believe the time has now come for the bank to clearly and publicly withdraw from the project.**

In August this year there was a moment of hope as President Medvedev ordered a halt to tree felling at the site and announced new public hearings. Yet it soon became clear that this process would have little to do with hearing, and still less to do with the public. It was never explained who would be taking the decisions, through what process, based on what studies, nor how members of the public could participate. The one-day hearing held in September was not based on documents outlining the options and could not accommodate all those who wished to make their opinions known or ask questions. Although an expert group was set up to examine the alternatives, the Russian government, in announcing its decision, has not even bothered to wait for the results from the group's work, expected next week.

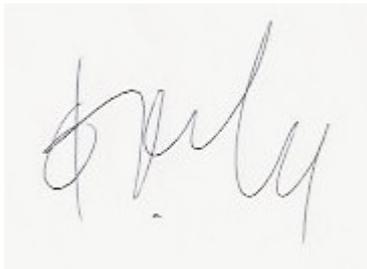
At a meeting with members of the European Commission on 12th October, we learned that the European Bank for Reconstruction and Development and the European Investment Bank would not finance the project in its current form and that the final decision on the routing from the Russian government was being awaited. That decision has now been announced, and there have been no changes that would suggest the project meets the EBRD's environmental and social standards.

¹The public opinion poll was carried out by Russian agency Superjob which regularly performs public opinion studies on various current affairs issues. The results are available in Russian at <http://www.superjob.ru/community/life/48157/>. Similar results were obtained by Levada Center, which found that 66 percent of respondents Russia-wide were opposed to the road being routed through Khimki Forest <http://www.levada.ru/press/2010100102.html>

This week's announcement by Deputy Prime Minister Ivanov paid lip service to environmental concerns by claiming that replacement trees would be planted and that the planned service facilities would not be built inside the woodland area. Not only are these measures insufficient to make up for the loss of the rich biodiversity of Khimki Forest, but we are very sceptical that they will really be adhered to. The Russian authorities and proponents of the project have already shown that they are willing to flout Russian law and violate human rights to push this project forward and it is hard to believe that they have any interest in minimising its damage. Right until the last minute the pressure on activists has continued, with several high level officials including the Head of the Presidential Council on Human Rights telephoning Ms Chirikova from the Movement to Defend Khimki Forest saying that the decision has been taken, and asking the group to halt its campaign.

We can therefore no longer imagine how the project can change in any meaningful way that would justify the EBRD's involvement. We ask the Bank to make a final decision not to finance the motorway, and to ensure that the relevant stakeholders are informed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'F. McGrath', is centered on a light-colored rectangular background.

Ms Fidanka Bacheva McGrath,
EBRD Co-ordinator
CEE Bankwatch Network

On behalf of:
WWF Russia
Greenpeace Russia
Biodiversity Conservation Center
The Russian Birds Conservation Union
The Social-Ecological Union
The Movement to Defend Khimki Forest