

To the Mission of the World Bank for Ukraine,  
Belarus and Moldova

Mr. Paul Birminham, Director

24 March, 2007

We, the local residents of the village of Lipchany of Mogiliv-Podilsk District, Vinnitsa Oblast would like to inform you that we have not been informed of the Dniester PSP Completion Project and its impact on our village. The relevant bodies failed to inform us of public hearings on the Dniester PSP Project held on 02.09.2006 in the town of Novodnistrivsk. Our opinion regarding this Project has been ignored. At the same time we are suffering from the construction of the PSP.

We are facing a catastrophic situation with our drinking water. Water has disappeared in the wells after the construction of the drainage system, and the water is not good to drink in those wells which do contain water.

Our houses ruin and the walls of the houses are beginning to crack because of the blasting operations and heavy motor traffic. This situation threatens our life and health.

There is a layer of mud on the road; the road in the village is destroyed by the trucks' traffic. The pavements are covered with clay, sand and stones which are falling down from the passing trucks. When it rains we are not able to either get to school or work, nor to the shop. And also, because the entire central road is covered with mud splashing from the wheels of cars, people are covered in mud when they walk in the street.

Moreover, in the centre of the city there is a motor-transport depot for 80 cars and 3 big tanks with diesel oil. This is a small "atomic bomb" in the centre of the village! When early in the morning (at 6 o'clock) the drivers start simultaneously the engines of their cars, we are not able to see the village because of the smoke. And we, the residents of the village, are suffocating with this smoke. We and our children can not walk along the central street because of the traffic of the trucks. All the houses, gates, and water pumps are covered with mud. The residents of our village have to spend several hours every day cleaning their yards of the mud which comes from the road.

The construction of the Dniester PSP is a matter of great concern to us – when the Project commences, our wells, cellar, lands, houses, and auxiliary structures will be flooded.

We would like to ask the World Bank not to consider the financing of Dniester PSP Project until:

- We are informed duly about the PSP Project in compliance with the law;
- Public hearings on the completion of the PSP Project are held in compliance with the procedures specified by the laws of Ukraine and our opinion is taken into consideration;
- Ukrhydroenergo, the project customer, provides compensation for economic loss (material damage) and the harm caused to the health of the people, the environment of the region as well as moral damage;
- There is solution of the problem of compensations for the future ecological losses caused by the PSP operation (such as loss of fish resources, soil fertility, flooding of lands, deterioration of the drinking water and so on);
- A complex expertise assessment of the social and ecological impacts of the Project on our village is duly carried out.

Yours sincerely,  
Local residents of the village of Lipchany