



European Bank
for Reconstruction and Development

Dr. Alistair Clark
Corporate Director
Environment and Sustainability Department

Re: Open Letter dated 19 January 2010

16 February 2010

Dear Sirs,

EBRD financing for any project is always contingent upon satisfactory financial, legal, technical, environmental, social and integrity due diligence, satisfactory documentation as well as the final approval of the Project by the EBRD Board of Directors. In this particular case, the EBRD is currently in the due diligence phase of the project and the Bank is continuing its environmental and social appraisal to measure the project against the EBRD Environmental Policy requirements.

The Bank commissioned an independent assessment of how existing OVOS studies, other relevant project documentation and past consultation activities against the EBRD Environmental Policy requirements for category "A" projects. The assessment produced a number of recommendations on which independent consultants commissioned by the Concessionaire, NWCC, are currently working.

It should be noted that these additional studies are being produced by NWCC and their consultants without any EBRD comment or implied endorsement.

In regard with possible further steps on land transfer, the EBRD is not in a position to affect such decisions to be made by Russian authorities. However, any such change will be taken into consideration in the EBRD's legal and environmental and social due diligence.

The EBRD Environmental Policy (2003) and Public Information Policy (2008) requirements for A-category projects, such as this one, ensure that all relevant studies and documentation will be disclosed to the public without any EBRD comment or implied endorsement to public for review and comments for a minimum of 60 days before the date on which such a project could be submitted to the EBRD Board for consideration. This allows for the people potentially affected by the project to have the opportunity to express their concerns and views about the project's impacts before a financing decision is made by the EBRD. I welcome your active participation if and when the project proceeds to that stage.

Yours sincerely,

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