



European Bank
for Reconstruction and Development

Riccardo Puliti

Managing Director, Energy and Natural Resources

Lidija Živčič
Focus
Trubarjeva 50,
1000 Ljubljana
Slovenia

Nina Štros
Greenpeace
Trubarjeva 50
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Piotr Trzaskowski
CEE Bankwatch Network
Na Rozcesti 1436/6
190 00 Praha 9 – Liben
Czech Republic

17th April 2012

Dear Mrs Živčič, Mrs Štros and Mr Trzaskowski,

I refer to the letter of President Thomas Mirow dated 16 April 2012, in response to your letter of 16 March 2012, related to the Sostanj Thermal Power Plant Project in Slovenia (the Project).

Following several queries made recently to the Bank, I wish to clarify some of the statements in order to avoid any possible misunderstandings.

EBRD is aware of the several investigations noted in your letter being undertaken into allegations of irregularities in connection with the Project. For the record, the only 'investigation' currently being carried out by the Bank's Chief Compliance Officer is a preliminary assessment of matters to determine the applicability of the EPPs and the reliability of information received. The EBRD Board of Directors has, however, been informed of all the 'ongoing investigations' that were noted in your letter.

I would, also, like to clarify that the disbursements under the EBRD loan are not formally suspended. However, no further disbursements are possible until the



conditions precedent for such disbursements are met, and there are currently some material ones that are not being met. Therefore, at the moment, no disbursement will occur until all such conditions are met which include the sovereign guarantee for the EIB loan.

Formal suspension of disbursements as a result of a Bank investigation requires a decision of the Bank's Enforcement Committee upon application by the Chief Compliance Officer. At this time, the Chief Compliance Officer has not made such an application to the Enforcement Committee.

Finally, I wish to underscore the remarks of our President that the EBRD remains fully committed to meet the highest environmental, social and governance standards in all the projects it finances.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'RP Puliti'.

Riccardo Puliti
Managing Director, Energy and Natural Resources