

# Submission to the EBRD strategy for Turkmenistan

Developments in Turkmenistan do not demonstrate commitments of the authorities to apply the political principles of the Article 1 of the Agreement Establishing the Bank. Inter-governmental organisations and CSO sources describe situation in Turkmenistan as problematic: with the absence of real division of power, absence of free and fair multiparty elections, and absence of space for functioning of free media and civil society organisations. Violation of human rights in Turkmenistan is systematic.

## Turkmenistan progress against the EBRD benchmarks

The 2014 EBRD strategy for Turkmenistan describes the calibrated approach of the Bank with the set of benchmarks to consider progress of the country. While we leave up to the EBRD to assess progress in the economic sphere, we can argue that no progress was made in the political sphere.

*Progress toward genuine political pluralism and meaningful political accountability, including strengthening checks and balances in the political system, registration of independent political parties, free functioning of NGOs and civil society groups, and even-handed application of the rule of law.*

As a result of the February 2017 presidential election, President Gurbanguly Berdimuhamedov won 97.69 percent of the vote. According to the OSCE/ODIHR Election Assessment Mission, “The presidential election took place in a strictly controlled political environment. The predominant position of the incumbent and the lack of genuine opposition and meaningful pluralism limited voters’ choice. The lack of clear regulations for key aspects of the process had a negative impact

on the administration of the election, especially at lower levels. Besides the events organized by Central Election Commission for Election and Referenda the campaign was absent and the rigidly restrained media gave the incumbent a clear advantage.”

The law makes it extremely difficult for genuinely independent political parties to organize, nominate candidates, and campaign, since it grants the Ministry of Justice broad powers over the registration process and the authority to monitor party meetings. The law prohibits political parties based on religion, region, or profession as well as parties that “offend moral norms.” The law does not explain how a party can appeal its closure by the government.

(Country Reports on Human Rights Practices for 2017 United States Department of State • Bureau of Democracy, Human Rights and Labor)

For more information

**Olexi Pasyuk**  
Central Asia coordinator  
[opasyuk@bankwatch.org](mailto:opasyuk@bankwatch.org)

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*Substantial progress in increasing media freedom and freedom of expression.*

There was no independent media and the few independent journalists – typically working in secret for outlets based abroad – faced harassment and arrest.

In April, the UN Human Rights Committee expressed concern over, among other things, the absence of an independent media, undue restrictions on access to the internet, and the use of politically motivated charges against journalists and others expressing criticism of the government.

(Amnesty International Report 2017/2018. The State of the World's Human Rights)

*Significant progress in improving the country's overall human rights record, including the release of political prisoners and lifting restrictions on the freedom of movement.*

In January 2018, the UN Committee against Torture noted its concern at “consistent allegations of widespread torture and ill-treatment, including severe beatings, of persons deprived of their liberty, especially at the moment of apprehension and during pre-trial detention, mainly in order to extract confessions”.

The fate and whereabouts of at least 80 prisoners subjected to enforced disappearance after an alleged assassination attempt on then President Saparmurat Niyazov in November 2002 remained unclarified. On 26 January, the EU Delegation to the International Organizations in Vienna published a statement expressing concern about Turkish Tyrmeyev's death and called on Turkmenistan to immediately and effectively address and eradicate enforced disappearances.

(Amnesty International Report 2017/2018. The State of the World's Human Rights)

**Turkmenistan and ‘more for more’**

CEE Bankwatch Network believes that EBRD must be very clear to the government of Turkmenistan (as well as with other recipient states) that any investments by the Bank are linked to the performance in the field of the human rights and political freedoms. Countries performance should be measured against specific benchmarks spelled out in the country strategy, so that the government can see what are the particular steps it is expected to take.

Previous country strategy was partly handling this need by having ‘Calibrated approach’ to the investment in Turkmenistan. In October 2018 EBRD have release ‘the Bank's response to the Compliance Challenge with the Political Principles in Article 1 in Countries of Operations’.

It is expected that new approach will allow the bank to be more straightforward in its evaluation of the situation in the country. The Bank staff talks of 14 criteria used for the political assessment of the countries as new kind of ‘benchmarks’. If this is the way Turkmenistan strategy will be arranged, it should be very clear from the text of the strategy that EBRD expects progress against these 14 criteria before lending can start.

In a view of the suggested ‘More for More and Less for Less’ approach, it should be clear what ‘Less for Less’ means in practice. It should mean no new lending (in neither public nor private sectors) before measurable progress. We believe that the Bank should not finance private sector, as it would be a unique business in Turkmenistan that would operate and be able to borrow at EBRD without being linked to state officials. The strategy should stress that Bank will adjust if no reforms will start.

### *Early Transition Countries Initiative Financing Facilities*

The information on the EBRD investments in Turkmenistan happens through ETC facilities and can only be accessed for 2014-2017. The Bank have financed around 25 projects for almost Euro 60 m in private sector. Our expectation is that 'Less for Less' will mean decreasing amounts available for Turkmenistan through these facilities.

### **Trans-Caspian pipeline and other fossil fuel investments**

Turkmenistan authorities believe that International agreement on Caspian Sea opens space for the construction of the Trans-Caspian pipeline to bring Turkmenistan natural gas to Azerbaijan and further to the gas network leading to Europe. EU officials have been constantly expressing interest in getting Turkmenistan gas to the European market.

Current EBRD strategy for Turkmenistan does not exclude possible investments in the private natural gas infrastructure projects. Rather, the Bank emphasizes the need for Turkmenistan to implement EITI provisions and introduce more reform to create competition in the sector before investments can take place.

The necessary action to combat global climate change does not leave space for any new investments in the natural gas infrastructure to bring gas to Europe. The EBRD strategy should be explicit