

Mr. Andre Juneau
Chairman of the Board
European Bank for Reconstruction and Development
1 Exchange Square EC2A EJN
London, UK
Email: Juneau@ebrd.com

July 28, 2009

Dear Chairman Juneau:

Thank you for your response to our letter from June 8th. We appreciate your answer, and we are heartened by your confirmation that the EBRD is not involved in commercial negotiations regarding the Nabucco pipeline. Thank you also for confirming the Bank's commitment to environmental and social concerns, as well as public consultation. We look forward to the opportunity to comment on the Bank's revised Turkmenistan policy.

Recently, EBRD Business Group Director Ricardo Puliti was quoted saying, "I think that the EBRD should be playing its role as a catalyst of commercial banks so it should play its role to put a substantial amount of money and be able to attract commercial banks to participate as well." He also stated the EBRD "aimed to have at least three projects [related to Nabucco] financially sealed by mid-2010 and all four could be filled by the winter of 2010/2011," according to Reuters.

<http://www.upstreamonline.com/live/article181028.ece>

This statement appears to contradict your assurance that the EBRD is not involved in commercial negotiations. We trust the Bank will, indeed, uphold the highest environmental and social standards with regard to the Nabucco project, and we are concerned about the apparent mixed messages coming from the Bank.

We question why the EBRD would consider financing a project so out of keeping with Europe's targets for clean energy and which appears to contradict the goal of reducing its impact on climate change. Using public financing to support Nabucco raises serious questions about the EBRD's commitment to sustainable and environmentally sound development. We believe that a Strategic Environmental Assessment of Nabucco is necessary before any financing is provided, and request that the EBRD require this before any involvement.

Finally, we would like to bring to your attention new concerns about the human rights situation in Turkmenistan. Since late last week, Turkmen authorities, uncomfortable with the lack of ideological control in foreign universities and institutes, have been using their power to limit students' ability to leave the country to study abroad. These are not students on a government-sponsored scholarship program, but, rather, students who, with their own money, have decided to pursue higher education outside of Turkmenistan. Over 1500 people were forced to undergo humiliating procedures for

registration; if they refused, they were unable to leave the country. Some of these individuals did not obtain permission to leave because the Turkmen bureaucrats “did not like” one or another foreign institute because it receives private (western) financing. According to eye-witnesses, students continue to scramble to put together the arbitrary, yet necessary, documentation to attend foreign universities. (More information is available at: <http://www.chrono-tm.org/>.) This systematic violation of human rights is yet further evidence of the repressive conditions that dictate daily life for the citizens of Turkmenistan.

We hope to continue to be in dialogue with you about this project, and look forward to receiving the draft Turkmenistan strategy when it is ready.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kate Watters".

Kate Watters
Crude Accountability