

Board of Directors  
European Bank for Reconstruction and Development  
One Exchange Square  
London EC2A 2JN  
United Kingdom

March 1, 2010

To the Board of Directors:

We, the undersigned NGOs, are writing you with our concerns regarding the EBRD's draft strategy for Turkmenistan. The EBRD's decision to invest in a country is based on compliance with Article One of the Bank's founding documents, and Turkmenistan does not meet the standard of applying "the principles of multiparty democracy, pluralism and market economics." Therefore, we believe that it is premature for the EBRD to significantly increase its financing to the country, particularly to government structures or to the hydrocarbon sector.

Turkmenistan is rated by Freedom House as one of the world's most repressive regimes along with Burma and North Korea. In 2010, the Heritage Foundation and the Wall Street Journal found Turkmenistan to be 171<sup>st</sup> out of 179 countries in the Index of Economic Freedom, with a score even lower than last year's. The 2009 Failed State Index ranked Turkmenistan as dangerous.

In 2009, the Medecins Sans Frontieres, one of the last international NGOs to operate in Turkmenistan, was forced to leave the country because it could not operate due to lack of cooperation. In 2009, Turkmen students were also forbidden to leave the country to study abroad. Civil society activists were harassed by the government, and one of the country's most renowned and respected environmentalists, Andrey Zatoka, was forced to renounce his Turkmen citizenship in order to avoid a five year imprisonment for a crime he did not commit.

Turkmenistan has no independent media; virtually all media is controlled by the government. Subscriptions to independent news media are forbidden. Internet access is strictly controlled by the government; sites critical of the government are blocked, as are sites such as YouTube.

Freedom of movement both inside the country and abroad is strictly limited by the government.

Although Turkmenistan has signed on to numerous international conventions, in practice, the government fails to comply with their terms. Turkmenistan has been found out of compliance with the Aarhus Convention by the Convention's Compliance Committee. The government of Turkmenistan has implemented several large scale projects that violate the Aarhus Convention and which have had serious environmental implications for citizens of the country.

Turkmenistan's banking and financial systems are insufficiently developed to ensure transparency of revenues, particularly with regard to the oil and gas sector. The country has a history of corruption and

graft, particularly in this sector, and there are no systems in place to ensure that the investment of public money would be used in a transparent, open and accountable manner.

Civil society in Turkmenistan is virtually nonexistent because of the punitive laws regarding public associations and the right to assembly.

Therefore, we request that the EBRD reconsider the current draft strategy for Turkmenistan, and insist that the country make demonstrable and measurable steps toward compliance with Article One before the EBRD makes significant changes to its investment strategy toward the country.

Sincerely,

1. Andrey Zatoka, Member of International Social-Ecological Union, former prisoner of conscience
2. Farid Tukhbatullin, Turkmen Initiative for Human Rights, Vienna, Austria
3. Igor Golubenkov, Saving Taman!, Taman, Russia
4. Vitalii Ponamarov, Memorial, Moscow, Russia
5. Mika Minio-Paluello, Platform, London, United Kingdom
6. Susie Crate, George Mason University, Fairfax, Virginia, USA
7. Adina Matisoff, Friends of the Earth, US
8. Sukhrobjon Ismoilov, Rapid Response Group, Uzbekistan
9. Julia Kalmykova, Karaganda Ecological Museum, Kazakhstan
10. Rustam Murzakhanov, NGO Environmental Law Center, "Armon," Tashkent, Uzbekistan
11. Huub Scheele, Both ENDS, the Netherlands
12. Regine Richter, Urgewald, Germany
13. Inga Zarafyan, Ecolur, Armenia
14. Bakhadyr Namazov, Committee to Free Prisoners of Conscience, Uzbekistan
15. Inessa Shlapak, Journalist, Kazakhstan
16. Elena Gerebizza, Campaign for the Reform of the World Bank, Italy
17. Nino Gujariadze, Association Green Alternative, Georgia
18. Klara Sutlovicova, Centre for Transport and Energy, Czech Republic
19. Svet Zabelin, Co-chairman of the Council, International Socio-Ecological Union
20. Nick Hildyard, The Corner House, United Kingdom
21. Molly Clinehens, International Accountability Project, USA
22. Andrey Yurov, Moscow Helsinki group, International Youth Human Rights Movement, Russia
23. Dmitri Makarov, International Youth Human Rights Movement, Russia
24. Viktoria Gromova, International Youth Human Rights Movement, Russia
25. Maria Gordeeva, "Free University", Russia
26. Anastasia Nikitina, Public Movement "Young Europe", Russia
27. Anna Dobrovolskaya, International Youth Resource Center "Human Rights and Civic Actions", Ukraine