



The Baku Ceyhan Campaign
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Dear EBRD employee,

Did you know that EBRD is involved in an extremely controversial oil construction project which looks set to become a human rights, environmental and social disaster?

The BP-led Baku-Tbilisi-Ceyhan (BTC) pipeline project is planned to run from Azerbaijan through Georgia to Turkey, bringing oil from the Caspian Sea to the West. EBRD is not supposed to have made a decision yet, but board member Norbert Rademacher has been saying in public that EBRD will provide a \$300 million loan.

Over 70 international environment and development groups have raised serious concerns about the BTC project. You can find out more about us and about BTC at www.baku.org.uk

In January this year, peaceful protesters occupied EBRD's offices, with worldwide press coverage. Through involvement in this project, EBRD stands to see its reputation tarnished as it becomes associated with human rights abuses, increasing poverty and the undermining of democracy in the host countries.

- **Destroying Georgia's key environmental resources:** The pipeline route cuts through Georgia's foremost national park and under the mineral springs that provide one of Georgia's most important exports, Borjomi mineral water. When the Georgian environment minister said this would violate national law, she was detained by the president (who was under pressure from BP and the US government) until 3am until she agreed to ratify the route.
- **Undermining democracy:** The pipeline project is governed by legal agreements which over-ride national laws, present and future, for the next 40 years. By restricting the legislative power of the governments, the project thus prevents the active development of democracy in Azerbaijan and Georgia. Meanwhile, the project stands to entrench the positions of existing (and long-standing) political elites in Azerbaijan and Georgia.
- **Damage to economies:** The pipeline threatens to undermine the local economies of Azerbaijan and Georgia, which suffer high levels of poverty. Local people's lands and livelihoods will be adversely affected by the pipeline. In Georgia especially, many have already started to protest. They say they haven't been fully consulted about the pipeline and are worried they won't receive fair compensation for damage to their lands and communities. In Azerbaijan, many commentators have identified the condition of 'Dutch Disease', in which oil investment leads to a contraction of the rest of the economy. An Oil Fund was put in place to encourage development of non-oil sectors in Azerbaijan, but even this is now being spent on financing the BTC pipeline.

John Browne, CEO of BP has called the loans from EBRD and similar institutions "free public money". We have twice invited BP to come to a public debate with us – once in Parliament and once in the London School of Economics – to argue their case for receiving this money. The first time, they declined; the second, having agreed to talk, they failed to show up.

We would really like to know what you think about these issues. Our campaign is not against you, but against consideration of the project by EBRD management. You can email us at baku@gn.apc.org or answer the anonymous questionnaire enclosed with this letter and mail it to us.

What else can you do? You can write to or email Jean Lemierre, and ask him why EBRD is risking its reputation by being involved in such a controversial project. Most importantly, you can talk to colleagues in EBRD. Tell them what you know about the pipeline, find out their opinions. Ask for a staff meeting on the pipeline issue, or even a debate. Or raise the pipeline issue in a union meeting.

Looking forward to hearing from you.

Best wishes,

Greg Muttitt
Baku Ceyhan Campaign

Please fill in this questionnaire and send to: The Baku Ceyhan Campaign
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Do you think a government should be able to delay approval of a project if it is concerned about the project's environmental impact?

Do you believe it is right for multinational companies to be exempted from local laws in the countries where they operate?

Do you think the role of EBRD is primarily to increase the profits of western corporations, even when that undermines economic development and democratisation in the countries where it funds projects?

Does EBRD ask you what you think on the ethics of major projects it participates in?

Do you have any other comments?

Your role in EBRD (eg "legal", "technical", "project officer" etc) (optional):

Would you like to be kept informed of the campaign's activities?

Name (optional):

Email (optional):