

cee bankwatch network

Annual report

2010



CEE

bankwatch
network

LETTER FROM EXECUTIVE DIRECTOR

BANKWATCHERS AT ONE OF OUR TWICE A YEAR MEETINGS



Working as Bankwatch does on the international financial institutions and the EU funds, at the intersection of so-called 'development finance' and major corporate interests, one is easily reminded of that famous dictum of the American writer Upton Sinclair: "It is difficult to get a man to understand something when his salary depends on his not understanding it." You could also say that even when our target institutions do grasp an issue and accept the need for change, that change may be a long time in coming.

Take for instance the European Bank for Reconstruction and Development and its grappling with the gender aspects of its investments. Since the publication in 2005 of 'Boom-time Blues', Bankwatch's widely acclaimed report into the negative impacts for women of the Baku-Ceyhan pipeline and Sakhalin 2 oil and gas projects, the bank has insisted it is alive to gender issues. And yet only in 2010, despite our repeated banging of the gender drum since

2005, are we seeing the implementation of the EBRD's Gender Action Plan – the bank has developed a complex gender toolkit for use by the EBRD's Environment and Sustainability Department, clients and their consultants, which will hopefully contribute to more gender-mindful considerations governing its lending.

If gender is an issue where Bankwatch and the IFIs are generally now occupying the same page, consider other issues where it's difficult to believe there can be any misunderstanding – and yet there remain big chasms in our views, with too many harmful consequences flowing from the investments that result.

On public-private partnerships, Bankwatch has been advocating that all the evidence from western Europe points to these labyrinthine investment frameworks serving corporate interests first and foremost, at the expense of taxpayers – the EIB, the EBRD and the World Bank continue, though, to champion PPPs in eastern Europe and other parts of the developing world.

Human rights issues should be an area where all reasonable parties gather around certain inviolable principles, and indeed human rights is an issue on which the IFIs undoubtedly talk a good game. Time and again, though, we see human rights being sacrificed on the altar of resource extraction, or in the new parlance, 'energy security'. Bankwatch worked intensively in 2010 to raise warning flags about the potential involvement of the EIB and the EBRD in the Nabucco gas pipeline, a project that is likely to require supplies from Turkmenistan, one of the most autocratic, hardline regimes on the planet.

Most galling of all is a certain issue called climate change, a cause which the IFIs and Europe as a whole are keen to be saying all the right things about – but just don't look too closely at what they are doing about it.

EIB and EBRD double standards on climate were prominent in 2010 with their multi-million euro support for the ▶

The IFI numbers that don't add up

EIB transport lending 2006-2009

Out of a total of EUR 67.6 billion, 45 percent (EUR 30.2 billion) went to road-based transportation, with a further 9 percent (EUR 6 billion) for aviation, making 54 percent for the most carbon intensive modes compared to 32 percent for rail and urban public transport. In central and eastern Europe, at least 66 per cent of EIB transport investments went to roads.

EBRD energy lending 2006-2009

EBRD lending for fossil fuel (coal, oil and gas) projects has risen rapidly, and more than tripled between 2008 and 2009. Lending for renewable energy is increasing but remains at a low level. [figures based on Bankwatch research in 2010]

coal-fired Šoštanj power plant in Slovenia. In partnership with a Slovenian NGO, we have been able to bring to public attention some of the irresponsible due diligence that allows these banks to blithely bankroll such a project. The bad news is that more – a lot more – IFI-sponsored coal projects are starting to appear in the central and eastern Europe project pipeline.

How then is Europe to move beyond merely getting its climate rhetoric in order?

The EU budget, and its funding instruments, in particular the Structural and Cohesion Funds, must be part of the solution. Bankwatch is arguing for future spending – for the 2014-2020 period – to be a tool for achieving progress on climate, along with deep and rapid improvements in Europe's biodiversity protection and resource efficiency.

With 2011 due to be decisive in the framing of the new multi-year 1 trillion euro budget process, in preparation we spent 2010 helping to mobilise a broad coalition of NGOs and think tanks with a diversity of expertise that is dedicated to achieving a budget for a sustainable future. And our awareness-raising (more relentless drum-beating) about the potential for using the EU funds for energy efficiency and renewables investments in CEE countries has been sinking in where it matters: early 2011 saw the European Commission publish "Regional policy contributing to sustainable growth in Europe 2020", encouraging member states and regions to shift funds towards energy efficiency and renewables.

A further telling example of the clout that Bankwatch possesses at the European level came when the director of Bankwatch's Hungarian member group mentioned during the year to me a meeting he had had with an official from the

European Commission, who explained his concerns about a biofuels project in Hungary. The official suggested that we should try to get the project on "that Bankwatch map of problematic projects", because the Regional directorate within the Commission listens to that. Needless to say, that same map will be researched and recharged anew in 2011.

The broad range of our activities will, I hope, come across in the following pages, where seemingly immovable objects – our targets – have met with Bankwatch's irresistible force – our dedication to environmental and social justice allied with the unflagging bravery of local communities and activists across our region.

I am confident that with a new Bankwatch strategic plan for 2011-2015 also now in place, a plan underpinned by an improved team-based focus on the EIB, the EBRD and the EU funds that will permit even greater co-operation with our allies around the world, our network is in excellent shape to meet the challenges that keep on coming, sometimes inevitably, and sometimes surprisingly, from development finance.

The support of our funders allows us to keep making a difference in central and eastern Europe. We will meet our new strategic objectives and make practical, positive impacts on the ground with your continued support.

Mark Fodor, Executive director,
CEE Bankwatch Network



Clean, affordable energy provision is a goal 'that matters'

Published: December 6, 2010

The sting in the tail, however, is that energy efficiency and renewable energy initiatives are receiving €9bn across the 27 member states, a dismal 2.6 per cent of the total EU funds for the current period.

The post-2013 EU budget must be uncompromising in addressing urgent needs, and clean, affordable energy provision across Europe has a strong case for making the top of the priority list.

Mark Fodor, Executive Director, Central and Eastern European Bankwatch Network, Budapest, Hungary

Bankwatch member groups

Atgaja, Lithuania | Centre for Environmental Information and Education, Bulgaria | Centre for Transport and Energy, Czech Republic | Eco-sense, Macedonia | Estonian Green Movement-Friends of the Earth | Friends of the Earth - Center for Environmental Public Advocacy, Slovakia | Green Alternative, Georgia | Hnuti Duha – Friends of the Earth Czech Republic | Institute of Environmental Economics, Poland | Latvian Green Movement | National Ecological Centre of Ukraine | National Society of Conservationists – Friends of the Earth Hungary | Polish Green Network | Za Zemiata, Bulgaria

Bankwatch's executive committee in 2010

Ana Colovic, member group representative | Ivaylo Hlebarov, member group representative | Roman Havlíček, member group representative | Peep Mardiste, member group representative | Alda Ozola, member group representative

Highlights of our member groups' achievements in 2010



EU funds not for burning in the Czech Republic

Bankwatch member **Friends of the Earth Czech Republic** continued its long-standing campaign to ensure that EU funds are not utilised to fuel unsustainable waste incinerator projects, but instead can help local authorities and populations to benefit from separating, composting and recycling waste. The group met its target of assisting five Czech local authorities to develop sustainable waste management plans, and more progress is in the pipeline, with more than 40 other local authorities signing up to our member's information network 'Path towards the recycling society'.

People power prevents EU funds going up in smoke in Lithuania

Two major incinerator projects in Lithuania were blocked for EU funding thanks to the work of **Atgaja**, our member group based in Kaunas. One proposed incinerator in Kaunas failed to even reach the environmental impact assessment stage thanks to Bankwatch scrutiny, while the authorities in Vilnius decided that a new incinerator there would no longer be receiving EU financing, and instead municipal waste collection, separation and recycling facilities would be benefiting from EU funding support. Close campaign collaboration with local communities proved to be a crucial factor, pressuring the local authorities to backtrack from their previously strong bias in favour of incineration.



More motorway corners being cut in Slovakia – not on our watch!

Bankwatch's Slovak member **Friends of the Earth-CEPA** experienced a roller-coaster ride during 2010's campaigning and advocacy efforts aimed at the controversial D1 Turany-Hubová motorway project. In early May the EBRD announced it had approved the project for financing even though the European Commission had not given clearance for the project. We worked with independent biology experts who warned of the impacts of the proposed motorway route on species, habitats, Natura 2000 sites and the general landscape – an alternative routing assessment was distributed to decision makers in 2010. In the end, by October, it was the 'public-private partnership' aspect of the project that saw its demise – the Slovak government washed its hands of the debt inducing PPP, even though the EBRD and EIB continue to push this financing model – though our interventions undoubtedly gave the Commission pause to deny clearance for the project. The D1 motorway will now be built with state funds or EU funds, giving more time for the new government to change the controversial routing if it so chooses.

Polish airport denied take-off, EU funds 'security checking' pays off again

Hot on the heels of the landmark Rospuda Valley victory, Polish NGOs including Bankwatch member **Polish Green Network** successfully appealed against the development of Tykocin regional airport in northeast Poland, a 125 million euros project slated to receive more than 70 percent of its financing from the EU's Structural Funds. The ruling to withdraw environmental consent for the airport – due to numerous deficiencies in the project's environmental impact assessment (EIA), including failures to account for at least four important bird areas and special protection areas – has shelved the airport project indefinitely. The message to promoters of ill-conceived transport projects in Poland must be getting through – though ongoing vigilance, especially where the EU funds are involved, remains a priority.

Ukrainian power shift – in favour of villages

Following violent village clashes in 2009 over the routing of high voltage power lines, Bankwatch's Ukrainian member **NECU** welcomed more constructive developments in 2010. Thanks to pressure applied by villagers and Bankwatch, the energy company Ukrenergo finally saw the light, signing a multilateral agreement with local and regional authorities and Ukraine's Minister of Energy that guarantees the construction of by-pass lines and the shifting of two 330 kV high voltage lines outside of the villages of Usatove and Nerubayske.



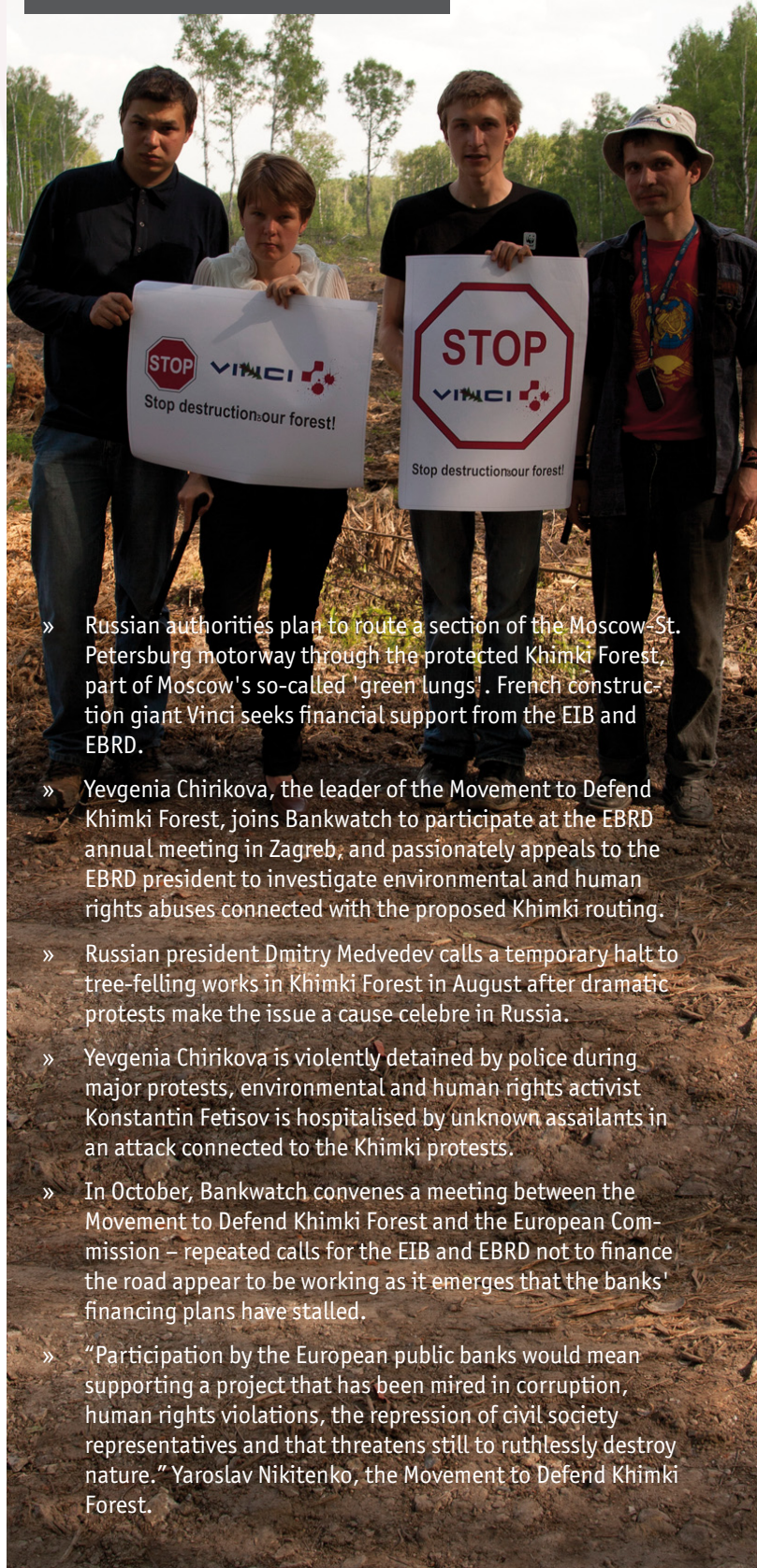
Defending the rights of Roma communities in Belgrade

Our affiliate member group in Serbia, **CEKOR**, continued campaigning to ensure the fair resettlement and social and economic inclusion of the 220 predominantly Roma families living in a slum beneath the Gazela Bridge in Belgrade. Part of this work involved CEKOR engaging with the Amnesty International Balkan department, the Regional Minority Centre (Belgrade) and the Democratic Union of Roma and Minority Rights Centre to establish an informal network – the network filed a protest letter to the EIB and the EBRD, key European financiers of the Gazela refurbishment. In August, an important milestone was reached when the EIB Complaints Office, following up a complaint lodged by CEKOR and Bankwatch, released its concluding investigations into the bank's involvement in the resettlement of the Roma families. Widely critical of the EIB's project oversight and preparation, in an unprecedented step the Complaints Office determined that unless the EIB tidied up its financing performance of the project by the end of 2010, the bank would have to fully recall its EUR 25 million loan for the project. So 2010 saw CEKOR making a difference in Belgrade once again, helping to halt the forced eviction of Gazela Roma as well as of some Roma communities further afield across Serbia.

BANKWATCH SUPPORT

FOR FEARLESS ENVIRONMENTAL

ACTIVISM IN RUSSIA



- » Russian authorities plan to route a section of the Moscow-St. Petersburg motorway through the protected Khimki Forest, part of Moscow's so-called 'green lungs'. French construction giant Vinci seeks financial support from the EIB and EBRD.
- » Yevgenia Chirikova, the leader of the Movement to Defend Khimki Forest, joins Bankwatch to participate at the EBRD annual meeting in Zagreb, and passionately appeals to the EBRD president to investigate environmental and human rights abuses connected with the proposed Khimki routing.
- » Russian president Dmitry Medvedev calls a temporary halt to tree-felling works in Khimki Forest in August after dramatic protests make the issue a cause celebre in Russia.
- » Yevgenia Chirikova is violently detained by police during major protests, environmental and human rights activist Konstantin Fetisov is hospitalised by unknown assailants in an attack connected to the Khimki protests.
- » In October, Bankwatch convenes a meeting between the Movement to Defend Khimki Forest and the European Commission – repeated calls for the EIB and EBRD not to finance the road appear to be working as it emerges that the banks' financing plans have stalled.
- » "Participation by the European public banks would mean supporting a project that has been mired in corruption, human rights violations, the repression of civil society representatives and that threatens still to ruthlessly destroy nature." Yaroslav Nikitenko, the Movement to Defend Khimki Forest.



ALL THAT GLITTERS

A FEATURE LENGTH DOCUMENTARY FILM ABOUT THE SUDDEN ARRIVAL OF CAPITALISM TO A KYRGYZ VILLAGE WHERE COMMUNISM HAS NOT YET SEEN ITS LAST DAYS

DIRECTED BY TOMAS KUDRNA



AWARD-WINNING BANKWATCH FILM TAKES THE SHINE OFF EBRD GOLD PROJECT IN KYRGYZSTAN

- » 'All that glitters', a feature-length documentary film, directed by Tomas Kudrna and co-produced by Bankwatch, about the sudden arrival of capitalism to a Kyrgyz village where communism has not yet seen its last days.
- » We meet four main protagonists whose lives are tied to a massive gold mine operated by the Canadian company Kumtor, with project finance support from the EBRD.
- » The film has picked up several awards, including at the Prague One World Festival and the Leipzig film festival.
- » "With honesty, humour, empathy and respect to the protagonists the director takes us to a working site that had and could have again fatal consequences for humans and nature ... he has made a brilliant film." Leipzig festival jury

See you, cyanide! Bankwatch persistence pays off for people and the environment in Bulgaria

A landmark court ruling arrived in April, a testament to the tireless work of Bankwatchers in Bulgaria who have for the last five years spearheaded the Cyanide Free Bulgaria Coalition. The Supreme Administrative Court of Bulgaria cancelled the environmental permit of Dundee Precious Metals that would have seen the Canadian mining company introducing controversial cyanide technology for the extraction of gold at the Chelopech mine. Dundee did not subsequently apply for a new permit and instead gave up its cyanide plans in Bulgaria. The Canadian company had been expected to apply for project finance from the EBRD for the introduction of the cyanide leaching of gold at Chelopech following earlier EBRD loans totalling USD 25 million for operations at the mine. Daniel Popov, Bankwatch's national coordinator in Bulgaria commented on the judgment: "Dundee Precious Metals may not like this verdict from the court, but it does present them and other gold mining companies with the opportunity to now investigate and invest in technologies which are safer, environmentally sound and with far fewer serious risks to the public." A positive consequence of the Chelopech ruling quickly followed at the Krumovgrad gold project, another long-standing Bankwatch focus: a cyanide free investment proposal for Krumovgrad was approved by the Board of Dundee Precious Metals.

Unsustainable biofuels blocked from EU funding support in Hungary

In early 2010, Bankwatch's Hungarian member the **National Society of Conservationists (NSC)** learned that a large-scale bioethanol investment in Dunaföldvár was in line to become a priority project for the national economy. Not long after, two other similar investments in Kaba and Dunaalmás also received national priority status from the government. The realisation of even one of them would have required more corn than the excess corn production in Hungary – thus they would have competed with food production, and indirectly contributed to an increase in food prices, loss of biodiversity and climate change. The projects were likely to be supported by the EU funds through the Environment and Energy Operational Programme. Thus NSC launched an intensive campaign against the projects, including preparing and sending expert analyses, and policy letters to the government in protest against the government decrees granting priority status. As a result of these concerted efforts, EU funds support for the bioethanol factories was dropped – and losing out on vital EU support has contributed thus far to none of the three plants being realised.



Stemming the big dam tide in Georgia

How do you act to deal with a string of large dam projects that threaten local communities and Georgian ecosystems? Bankwatch member group **Green Alternative** has chosen to target the vast streams of international development finance potentially set to flow in support of these schemes, and it has sought to set the terms of the public debate in favour of truly clean, sustainable energy solutions: renewables and energy efficiency. Crucially, our member also reached out to local communities in line to be seriously disrupted by these dam projects, providing them with key project information, seeking to protect their legal rights and facilitating communication with the government. And positive outcomes emerged in 2010 thanks to our efforts: preparatory and construction works for large dams (including the massive Khudoni Dam) in Georgia were put on hold – as of the end of 2010, only small dams were under development in Georgia; the World Bank Country Partnership Strategy for Georgia 2009-2011 no longer includes plans for the development of any large hydropower plants, and; thanks to our outreach efforts on positive alternative energy approaches, an increasing number of institutions, including the development banks and international donor agencies, are now engaged in developing a vital law on renewables and energy efficiency.

Up and running on pre-accession funds monitoring

Bankwatch's Macdonian member **Eco-sense** published a study for civil society organisations from the Balkan region on how to monitor EU funds, based on experience so far in Macedonia. The study initiated the group's work within Bankwatch on monitoring pre-accession EU funding assistance, which is successfully continuing in 2011.

Complaint on Nord Stream gas pipeline

Bankwatch member **Estonian Green Movement** submitted a first ever complaint by Estonian NGOs to the European Commission following alarm about breaches of EU environmental law made by several EU member states when they accepted the construction of the Nord Stream gas pipeline to the Baltic Sea. After lengthy correspondence with Estonian Green Movement, the Commission unfortunately decided not to initiate an official investigation into these alleged breaches, however the case was widely noted in Brussels and across Europe, and valuable experience was gained for future such cases.

CAMPAIGN MAP

BANKWATCH MEMBER OFFICES
AND THE PROJECTS WE MONITOR
ACROSS EUROPE



FINANCIAL INFORMATION

Balance Sheet

Assets	CZK	EUR
Fixed Assets	18 729	747
Material Fixed Assets	18 729	747
Financial Fixed Assets	0	0
Current Assets	11 545 711	460 723
Claims - Project Advances	847 304	33 811
Claims - Financial Support	3 962 006	158 101
Claims - Business	607 332	24 235
Claims - Other	37 200	1 484
Cash in Hand	41 659	1 662
Bank Accounts	6 050 211	241 429
Interperiod Active Clearances	1 570 239	62 659
Total Assets	13 134 679	524 129
Liabilities	CZK	EUR
Own Resources	10 580 628	422 212
Basic Capital	18 729	747
Reserve Fund	6 284 959	250 796
Grant Fund	999 871	39 899
Committed Transfers 2010	3 277 070	130 769
Undistributed Financial Result	0	0
Accumulated Financial Result of Current Year	0	0
Short Term Liabilities	1 987 724	79 319
Long Term Liabilities	0	0
Bank Loan and Credits	0	0
Interperiod Passive Clearances	566 327	22 599
Total Liabilities	13 134 679	524 129

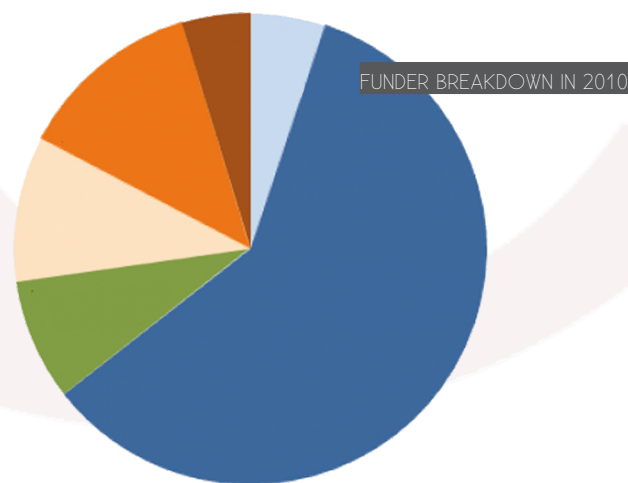
Profit and Loss Account

Income	CZK	EUR
Operating Cost Grant Drawing	23 184 895	925 175
Earnings from Services	1 906 563	76 080
Income on Short Term Bank Deposits	4 850	194
Other Income	1 313	52
Earnings from Differences in Rates	393 007	15 683
Corrections	0	0
Total Income	25 490 628	1 017 184
Expenditures	CZK	EUR
Office Materials, Energy and Repairs	734 490	29 309
Travel costs - Bankwatch	1 849 733	73 812
Travel costs - other - participants of seminars	619 019	24 701
Salaries and contracts - Prague office	6 184 206	246 776
Salaries and contracts	8 234 343	328 585
Consultants	1 409 841	56 259
Services	3 410 408	136 090
Production of publications and promotional materials	774 397	30 902

Other costs	251 687	10 043
Audits	595 735	23 772
Losses from Differences in Rates	1 412 720	56 374
Income Tax	0	0
Amortization and Deficiency	14 047	561
Total Expenditures	25 490 628	1 017 184
Accumulated Financial Result of Current Year	0	0
Transfers to member and cooperating groups	13 540 527	540 324
Total outflows	39 031 155	1 557 508
Total inflows	39 031 155	1 557 508

Grants received in 2010

	EUR
Airclim	7 394
Both Ends	27 000
CS Mott Foundation	80 113
EC, DG Development, Counterbalance project	306 426
EC, DG Environment, 2010 grant	238 149
EC, DG Environment, 2009 grant	169 808
EC, Europe Aid project	148 179
European Climate Foundation	129 912
International Visegrad Fund	2 223
Lippmann	400
Milieudefensie, Extractive Industries project	63 239
Oxfam Novib	155 394
Senter Novem	35 615
Sigrid Rausing Trust	197 116
Total inflows	1 560 969



CS Mott Foundation	80 113
European Commission projects	925 802
European Climate Foundation	129 912
Oxfam Novib	155 394
Sigrid Rausing Trust	197 116
Other donors	72 631

BANKWATCH OUT & ABOUT

Phasing out coal lending



A new coal-financing agenda at the EBRD compelled Bankwatch activists to slip into their miners' overalls, don their hard hats and put on an action outside the EBRD's annual meeting in Zagreb. Our activists released black CO2 balloons and delivered a clear message to assembled EBRD bankers and officials: "Is coal the best you can do?" For a European institution never shy of talking up its pro-climate initiatives, we had been shocked to learn that the bank is intent on turning the energy clock back with plans for new coal investments in Ukraine, Central Asia and south-east Europe. Battle lines were drawn in Zagreb – Bankwatch's anti-coal campaigning will continue on specific projects, such as the Šoštanj power plant in Slovenia.

Ramping up energy efficiency



A round-table discussion in Brussels saw Bankwatch setting the agenda on energy efficiency and renewables financing. We brought campaigners from across Europe face to face with key energy officials from the EBRD, the EIB and the European Commission in what turned out to be productive side-by-side discussions devoted to developing robust and flexible funding instruments for clean energy investments across the EU. As one bank official commented: "Energy efficiency and local biomass are two sleeping giants." Bankwatch is intent on waking them up via bigger and better targeted finance.

Supporting NGOs in central Asia



Bankwatch continues to place great importance on our partnership with civil society groups from Central Asia, especially as the number of controversial IFI-backed projects across the region is on an upward trend. Bankwatch staff convened a meeting with our long-standing partners during the summer, including training on transport projects' campaigning, need to know information on carbon funds and EIB work across the region.

Investigating dubious investments



With our partner group Counter Balance, Bankwatch made a fact-finding mission to Panama to investigate a string of dubious EIB 'development' investments. The community pictured here is the Ngobe-Bugle indigenous population, based in Chiriqui province and close to the proposed site of the USD 350m Barro Blanco hydro power project on the Tabasara river. Following a complaint from the local people to the EIB about the bank's potential involvement in the project, EIB officials were set to make their own fact-finding mission to the area – only for the dam promoter to then withdraw its request for EIB financing. EIB investments outside the EU are frequently dogged by a lack of due diligence and development expertise on the part of the bank.

IFI ADVOCACY – A DISH BEST SERVED HOT!

Packets of EBRD 'Transition soup' were distributed at the EBRD annual meeting along with menus describing some of the bank's out of date recipes for south-east Europe. As the EBRD sought an injection of new capital from its shareholders, Bankwatch sought to highlight missing ingredients on the bank's project menu: environmental sustainability and social issues.

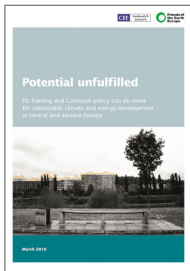
"Advocacy groups such as the CEE Bankwatch Network say the EBRD is over-reliant on economic indicators when assessing a country's development and fail to take into account "social realities" such as poverty and human rights."

Reuters



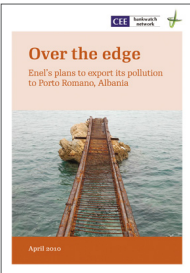
PUBLICATIONS

In 2010 Bankwatch published more than 64 studies, analyses, leaflets, policy letters and issue papers, distributing them to key officials in Brussels, in national governments and in our target banks. These publications are available on our website at www.bankwatch.org/publications, including the following highlights:



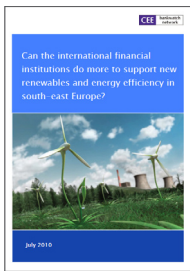
Potential unfulfilled – EU funding and Cohesion policy can do more for sustainable climate and energy development in central and eastern Europe (March 2010)

This analysis from Bankwatch and Friends of the Earth Europe points to some alarming shortcomings in how billions of EU funds earmarked for clean energy projects in the new member states are being deployed.



Over the edge – Enel's plans to export its pollution to Porto Romano, Albania (April 2010)

The Italian energy giant Enel is planning to construct a coal-fired thermal power plant consisting of two 800 MW units at Porto Romano near the city of Durres in Albania. If constructed this would be the largest investment in the history of the Albanian energy industry. Eighty five percent of the electricity produced would be exported to Italy.



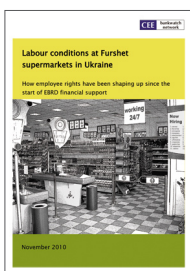
Can the international financial institutions do more to support new renewables and energy efficiency in south-east Europe? (July 2010)

As Europe is greening its economy and gearing up to decarbonise by 2050, most south-east European countries still view energy efficiency and renewable energy as greens on the side of their main dish. Coal power and large hydropower are still the favourites on the menu, as they depend on indigenous resources and keep energy import dependency lower.



Nabucco and Turkmenistan – Our energy security, Turkmen's misery (September 2010)

This briefing paper examines the less obvious aspects of the Nabucco gas pipeline project – its possible impact on Turkmenistan, a country notorious for its grave human rights situation and the dictatorial tendencies of its political leaders. It also discusses how, with a lack of public oversight over gas revenues in Turkmenistan, the construction of Nabucco may lead to the strengthening of one of the most brutal regimes currently in existence.



Labour conditions at Furshet supermarkets – How employee rights have been shaping up since the start of EBRD financial support (December 2010)

In 2007 the EBRD provided a USD 90 million loan to the second largest supermarket operator in Ukraine – the Furshet Group – for the regional expansion of its chain in Ukraine and Moldova. The aim of this research was to examine labour/gender conditions at the supermarkets in respect of employee rights and discrimination at work, resulting in recommendations on how Furshet and the EBRD can improve the employees' situation.



Missing in action – The winners, the losers and the unknowns of the European Investment Bank's anti-crisis SME offensive in central and eastern Europe (December 2010)

In 2008, the EIB deployed an additional EUR 15 billion to its 'global loan' lending - as a response to the financial crisis and the difficulty for small and media sized enterprises to access finance. As this report reveals, the package appears to have remained to a large extent with the intermediary banks, the initial recipients of the funding.

FILM WORK

Bankwatch produced a wide range of films and video clips in 2010. These are available on our website and on our YouTube channel: www.youtube.com/user/Bankwatch

Here are some of the year's clip highlights.

13 YEARS AND COUNTING — SAVE THE KRESNA GORGE

A Bankwatch produced slideshow documenting 13 years of campaigning to save the Kresna gorge in Bulgaria – a NATURA 2000 site and home to an extraordinarily high number of endemic and rare protected species. For many years the project developers of the Struma motorway and Bulgarian authorities failed to consider alternative routes for the motorway outside the gorge. Finally, after 10 years of campaigning and an intervention by the European Commission, local people, road authorities, NGOs and relevant ministries agreed on a motorway construction based on tunnels to avoid passing directly through the protected area.



POTENTIAL UNFULFILLED — A NEW REPORT FROM BANKWATCH AND FRIENDS OF THE EARTH EUROPE

Markus Trilling, EU Funds coordinator for Bankwatch/Friends of the Earth Europe, introduces a new key report: approaching the midpoint of the 2007-2013 programming period, the pace of absorption of EU funds for renewable energy and energy efficiency projects is slow even if the demand for financing is steadily on the rise.



ANTI-COAL DEMO AT THE EBRD ANNUAL MEETING IN ZAGREB

Bankwatch and Croatian partner organisation Zelena Akcija tell the European Bank for Reconstruction and Development 'no thanks!' to the bank's plans for increased investments in coal during this action outside the 2010 EBRD annual meetings in Zagreb.



WHAT LESSONS WILL BE LEARNED BY THE EIB IN BELGRADE?

Bankwatch's Serbian national coordinator Zvezdan Kalmar speaks here about the Sava River crossing project in Belgrade. The project, considered jointly for financing by both the EBRD and European Investment Bank, will involve the resettlement of some 100 Roma families from the Buvljak settlement in New Belgrade.



THE PRIVATE SECTOR TURN: PRIVATE EQUITY, FINANCIAL INTERMEDIARIES AND DEVELOPMENT

Bankwatch partner Counter Balance and the Bretton Woods Project hosted a conference in London on "The Private Sector Turn" - the increasing shift from public to private funding in development finance, the forms it takes and what it means for activists and affected people. As this clip shows, the conference had a particular focus on the European Investment Bank and the bank's increasing 'development' lending in the Global South.



“BANKWATCH ANALYSIS HAS LONG IDENTIFIED THE STAGGERING SHORTFALL IN CLEAN-ENERGY ALLOCATIONS OF THE EU FUNDS IN THE NEW MEMBER STATES, WHICH WE ESTIMATE TO BE A MISERABLE 2.4% OF ALL THE EU FUNDS AVAILABLE FOR THE CURRENT PERIOD. AS THE DEBATE OVER THE 2014-20 BUDGETARY PERIOD GETS UNDER WAY, THE NEW MEMBER STATES AND THE COMMISSION MUST PRIORITISE CLEAN-ENERGY INVESTMENT IN THE REGION, PARTICULARLY FOR ENERGY EFFICIENCY.”

PIOTR TRZASKOWSKI,
BANKWATCH'S CLIMATE AND ENERGY COORDINATOR,
IN A LETTER PUBLISHED IN THE EUROPEAN VOICE,
OCTOBER 2010

THE COVER IMAGE SHOWS ENVIRONMENTAL ACTIVIST YEVGENA CHIRKOVA IN A CLEARING OF THE KHIVKI FOREST.
PHOTOGRAPH BY MIKHAIL METZEL, AP © CZECH NEWS AGENCY – PHOTO 2010.