



Общественное объединение
"Центр эколого-правовой инициативы Глобус"

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To:

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CC:

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Dear Mr Takaoka

On behalf of the public group "Globus", I would to express concerns with the Kashagan oil development project under consideration of JBIC.

Despite the fact that public was invited for comments during the Kashagan EIA preparation, none of the comments provided by our group were incorporated into the final document.

We have serious concerns with the potential impact of the project on local environment and people.

1. EIA has incorrectly assumed potential damage of commercial oil and gas production at Kashagan. The assumed damage did not include virtually complete devastation of food base for valuable fish and did not distinct impacts on particular fish species: Caspian sturgeon, Hausen, Stellate sturgeon, Stenodus leucichthys and Acipenser nudiiventris. Analysis of damage should include economic losses based on the price and availability of caviar as well as periods of species ability to recover. Such an analysis should consider that oil is a limited non-renewable resource, while fish resources are reproductive with the condition of safe environment.

Oil and gas development at the north-east Caspian region has already led to dramatic decrease in the amount of fish produced. Local population is highly dependent on fishing. Most of the

fishermen are men over 40 years all with dependent wife and on average two children, will not be able to find new jobs when fishing will stop produce any profit due to the impact of the proposed project among other reasons.

2. Pipeline will be built through the very sensitive area of Caspian sea. No all impacts of pipeline construction at sea bed (vibration first of all), which is expected to last for three years, were taken into account. Area of the pipeline construction coincides with the routs of seasonal fish migration and birds nesting. Scashore area of the operation is Implementation of the projects conflicts with Agip KCO own policy not to operate at the areas of sensitive environment.

3. Planed buffer area with 5 km radius at Karaban plant does not provide satisfactory level of safety for the public and environment. There is a negative experience with the similar plant already constructed in Kazakhstan. Citizens of the Sarkamyz settlement located 25 km from similar gas treatment plant operated by Tengizshevroil had to be resettled because of catastrophic impact of the plant. The plant operator prefers to pay rather low fees on emission and not to decrease the emission. Many people were moved to the Atyrau itself completely unprepared to change rural lifestyle for urban one.

The newly proposed plant will be not further than 12 km from the Karaban settlement and will have bigger capacity and emissions. It is easy to predict that soon local population will need to be evacuated as well. Moreover, location of the plant and local meteorological conditions will lead to the impact on Atyrau city itself (about 27 km from the proposed plant site). It will lead to the problems which willnot be possible to solve with resettlement. Project developers were not able to provide any monitoring data assessing potential emision spread.

We insist that the gas treatment plant should be built at another place. It was proposed to move the plant at Zhylyiok region, closer to Tengis oil field. Company refused this proposal in a view that location at Karaban has all the necessary infrastructure in place (electricity line, roads, railroad), while in other location it would be up to company to invest into creation of infrastructure. Thus effectively, AGIP KCO puts their commercial interest over the health and wellbeing of local population.

4. Sulfur storing and raw gas injection back into reservoir are critically assessed by geophysics and environmental experts. The gas injection approach seems to be underdeveloped and EIA documentation does not provide sufficient assessment of the potential impacts. Project developers were not able to give any guarantees that the technology will be safe for the environment.

Sulfur on-ground storage is another serious concern. Tengizshevroil has already over 6 million tones of sulfur stored open air. Minding that over 200 days a year there are high winds in Atyrau region and small sulfur particles are being disseminated all around. There is no developed demand for sulfur and its amount accumulated next to Atyrau will be increasing very fast with new plant being constructed so close to the city. Again, we argue that plant has to be located much further from Atyrau.

5. EIA does not describe waste treatment facilities of gas refining plant near the Karabatan settlement. It makes us assume that no such a facility is planed.

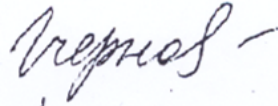
6. There was no proper public consultation on EIA draft. We do not agree to consider meeting organized by project sponsor as public consultation. The arrangement of the meeting does not fulfill basic requirements of the public consultations as public was not even informed

about the upcoming event. Draft EIA draft was not provided for public access. During the discussion public did not receive any more or less explicit answer on questions about the results of geological experiences etc. Therefore, the instructions about Environmental Impact Assessment adopted by the Government of the Republic of Kazakhstan on February 28, 2004 were violated and the public was simply deluded.

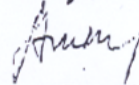
We believe that JBIC should put consideration of the project on hold until the issues of the concern are resolved.

Best regards,

Director Center "Globus" Galina Chernova



Chairman NGO "Ecos" Gulmira Aituganova



Director Public Fund "TAN" Shinar Izteleuova



Chairman NGO "Rainbow" Polina Skachkova

