

London, September 4, 2002

Mr. Peter Woicke,
International Finance Corporation,
The World Bank Group,
1818 H Street, NW
20433 Washington DC,
USA.

Dear Mr. Woicke,

Comments on BTC Turkey Section draft ESIA

Please find attached the preliminary report of an international NGO Fact Finding Mission, which visited Turkey from 26 July – 3 August 2002 in order to assess the human rights, environmental and development impacts of the proposed Baku-Tblisi-Ceyhan pipeline. The FFM conducted in-depth interviews with local community leaders, local officials, affected people and local NGOs. Its findings constitute the comments of the participating NGOs on the draft ESIA prepared by the BTC consortium for the Turkish section of the proposed pipeline.

The Mission examined the implications of the Host Government Agreement (HGA) under which the pipeline would be built and operated; reviewed the consultation process undertaken as part of the ESIA; examined the land expropriation and consultation procedures for the project; and reviewed the impacts of the project on ethnic minorities living in the country and affected by the project.

The Mission's principal findings are outlined below:

A) The Host Government Agreement:

The FFM is deeply concerned about the human rights, environmental and developmental implications of the HGA and recommends that these be analysed in detail – and publicly discussed – before any public funding is given for the project. The FFM itself has attempted to assess the project's compliance with international private and public laws. On a preliminary analysis, it would appear that the HGA places the project in potential violation of the European Convention on Human Rights, European Union laws and regulations and other international law instruments. There are additional important questions over compatibility with Turkish domestic and constitutional procedures, which the FFM did not feel qualified to discuss.

B. Consultation

The FFM also found numerous inadequacies and failures in both the design and the implementation of the consultation procedures. For example, the FFM found evidence that some villages which the ESIA lists as having been consulted have not in fact been consulted at all: in one case, the village has been abandoned and is uninhabited. The FFM

believes that the project violates four of the World Bank's safeguard policies on consultation.

C. Land Expropriation and Compensation

The FFM found that the procedures on land expropriation and compensation which the BTC claims to be following were universally violated in the villages which the FFM visited. Moreover, it heard evidence that strongly suggests that such violations are common along the entire pipeline route - and that the majority of those affected by the pipeline will not receive compensation. The out-of-date cadastral surveys on which compensation payments will be based ensure that most of the money will be paid to the accounts of dead people, which the living cannot afford to access. The FFM also found that BTC/BOTAŞ has misrepresented the work it has undertaken to "close the gap between local policies and those of the World Bank" and that the project violates at least two World Bank guidelines — those on Involuntary Resettlement and Indigenous Peoples. The FFM is also of the view that were public money to be provided for the project as it currently stands, there would be strong grounds for a legal challenge under the European Convention on Human Rights and other international human rights instruments.

D. Ethnic Minorities

The EIA for the BTC pipeline acknowledges that "Turkey is characterised by a diversity of languages, cultures and traditions" and implies, without saying so explicitly, that a proportion of those living along the pipeline are from minority groups. At no point, however, does the EIA name such minorities; nor, despite the BTC consortium's stated commitment to ensuring compliance with the World Bank's safeguard policies, does it discuss the implications of the presence of ethnic minorities for the project. It also fails to acknowledge the ideological aversion of the Turkish state to the idea that minority groups exist within its border, and the consequent repression and violence to which the Kurds and other groups have been subjected, repression which calls the feasibility and legitimacy of the entire consultation process into question.

The Bank's policies would require that a development plan be drawn up through negotiation with the affected minority. However, the FFM found no evidence that such a plan existed or had even been initiated for either the affected Kurdish or the Çerkez minorities. The FFM accordingly recommends that no public funding be made available for the project until the pipeline complies with the requirements of the Bank's Operation Directive on Indigenous People (OD 4.20).

We look forward to providing further input on the BTC project.

Yours sincerely,

Nicholas Hildyard,
The Corner House

Kerim Yildiz
Kurdish Human Rights Project

Greg Muttitt
Platform

Antonio Tricarico
Campaign to Reform the World Bank

Miriam Carrion
Bar Human Rights Committee

Kate Hampton
Friends of the Earth International