



<http://www.bankwatch.org>

CEE Bankwatch Network is an international NGO with member organisations currently from 11 countries across the CEE and CIS region. Our mission is to prevent the environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation. Bankwatch has been following the impacts of such financial flows into our region since 1995. Monitoring EU funds is an integral part of our work.



<http://www.foeeurope.org>

Friends of the Earth Europe campaigns for sustainable and just societies and for the protection of the environment, unites more than 30 national organisations with thousands of local groups and is part of the world's largest grassroots environmental network, Friends of the Earth International.

Brussels, July 13, 2006

Graham Meadows  
Director-General  
DG Regional Policy  
European Commission

**Subject: Recommendations to the European Commission on the financing of major projects**

Dear Mr. Meadows,

Thank you for your letter of 23 June responding to our recommendations on the financing of major projects. However, we do not find that your replies to our arguments stand up. We would like to respond to two points in particular.

First, we are astonished by your dismissal of our seven well-argued reasons for publishing information about major projects online. You only write that: "The online information system you propose would make it more difficult to keep to [the three-month] deadlines and would also be misleading for the European citizen."

We find these arguments difficult to comprehend. As stated in our letter, our proposal is based on a similar existing webpage of the European Investment Bank ([www.eib.org/projects/pipeline](http://www.eib.org/projects/pipeline)), where you serve as an Alternate on the Board of Directors. We would suggest that you consult the appropriate EIB staff about whether the operation of such a simple website causes any delays in project approvals. We also do not understand how such an information system can be misleading for the European citizen.

**We do not see any reason why the standards of the European Commission should be lower than those of the EIB.** It is clear that the public interest in the routine disclosure of such information, as stated in our seven reasons, significantly overrides the tiny administrative costs of running such a webpage.

Second, we are puzzled by your answer to our concerns about EU funding for waste incinerators: "in certain cases, e.g. for health or other reasons, it is also important to invest in incineration facilities".

Incinerators, including the most modern ones, are known to emit numerous toxic chemicals into the atmosphere and produce ashes and other residues. Health effects associated with living near incinerators and with working at these facilities include cancer, adverse impacts on the respiratory system, heart disease, immune system effects, increased allergies and congenital abnormalities.<sup>1</sup> Therefore, health concerns are an important reason *against* incinerators, not a reason in their favour.

Moreover, there are strong economic and environmental reasons against providing public subsidies to incineration. The situation in the new member states is of special concern. While Germany, Austria or Belgium already recycle more than 50 percent of their municipal waste, the level of recycling in the new member states varies between 0 and 11 percent.<sup>2</sup> The allocation of EU funds in the waste sector of these countries will have a decisive impact on whether they will take the recycling route, officially favoured by the EU, or the incineration route.

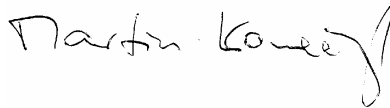
We would like to draw your attention to the changes proposed in the ongoing revision of the Waste Framework Directive, which could alter the market situation in such a way that would lead to a massive diversion of EU funds towards incineration. This would oblige towns and regions to provide huge amounts of waste to incinerators for many years and thus block efforts to reduce or recycle waste. One way to prevent this development would be to set a **condition that EU funds can only be used for investments in incinerators after the given member state achieves a certain level of recycling, e.g. 50 percent of municipal waste.**

We are looking forward to your response to these two points. Please note that in line with transparency principles we will publish this correspondence on our website.

Yours sincerely,



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Policy Coordinator  
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<sup>1</sup> See e.g. Michelle Allsopp, Pat Costner and Paul Johnston, "Incineration and Human Health. State of Knowledge of the Impacts of Waste Incinerators on Human Health." Greenpeace Research Laboratories, University of Exeter, UK. *Environmental Science and Pollution Research* 8 (2) 141 – 145 (2001).  
<http://www.scientificjournals.com/sj/espr/Pdf/aId/3965>

<sup>2</sup> *Waste generated and treated in Europe - Data 1995-2003*. Eurostat, 1995.