

From:
To:
Cc: [Complaints; alianzapropanamahotmail.com](mailto:Complaints;alianzapropanamahotmail.com) ; !
Subject: Request for Review
Date: Sunday 27 March 2011 07:33:38

Dear

Last year I had the pleasure to meet you by telephone when we spoke about EIB investments in Panama and in particular about a hydroelectric project seeking funding from you at the time. The basis for that loan request was at issue, and the promoters withdrew it when you were about to travel to Panama to investigate.

As I noted then, similar concerns continue about funding already granted – by the EIB and other financial institutions – to promoters of various projects in Panama. In order to ensure the success of a considerable investment in one of them, I am obliged to inform you and ask for your assistance.

This letter is to formally request a compliance review of the Panama Canal Expansion project. Its promoters are in receipt of nearly 50% of all funds the EIB has provided Panama to-date, yet there appear to be direct contradictions of numerous EU and UN objectives and policies you support, such as:

- only funding projects with appropriate mitigation and other suitable risk management arrangements
- ensuring the rational utilization of natural resources at international level as expressed in Article 174(1) of the Treaty of the European Union
- assessing real sustainability and performance of a project in terms of the European Principles for the Environment (EPE) and the UN Millennium Development Goals (f.ex: MDG7)
- protecting and improving the natural and built environment

A damaging picture of this project – which can still be corrected with your help – has emerged suggesting the manipulation of information used to obtain investment funds, that includes:

- misrepresentation of facts about the project to the people of Panama and of other nations
 - non-disclosure of avoidable economic risks including loss of the investment
 - non-disclosure of unnecessary negative impacts on the environment
 - non-disclosure of damages to third parties and unacceptable threats to life
- incomplete disclosure of pre-selection evaluations of non-sustainable and risky choices
 - insufficient assessment of design challenges
 - inadequate search for alternative solutions
- lack of transparency regarding future performance issues
 - no available & implementable mitigation option
 - no reasonable contingency plans
- unrealistic and inadequate projections of effects on local and global community

The Panama Canal affects countries beyond its shores. Taxpayers around the world – counting on receiving improved services and an upgraded piece of infrastructure – have contributed funding through you and others for its expansion. All deserve to receive a product that meets reasonable expectations.

That this project – unless changed – will fail to deliver, is founded in scientific and physical fact. A concern expressed even by Panama's political leaders, it – and the opportunity still available to prevent that "disaster" – motivates this request for review.

Ensuring accountability for such a large commitment of European funds is crucial to sustaining the EIB's leadership role in the global community and among financial institutions. By virtue of soliciting and accepting funds and assistance from you and that global community, Panama accepts its role within it to treat its partners fairly and cannot use "sovereign rights" as a blanket to cover difficult issues.

The Panamanian people – having placed their trust in you and that greater community intervening as promised – also rely on review mechanisms appropriate for a project of such far-reaching consequences being employed now to protect them, and this critical asset, from unnecessary and permanent threats.

We cannot disagree that the outcome of an engineering project, regardless of its size, ultimately rests on its engineering.

By taking steps now to implement relatively minor changes – based on techniques proven by today's canal itself – the expansion could:

- meet its stated objectives,
- provide far greater return-on-investment,
- ensure an efficient and rational use of natural resources, particularly freshwater,
- avoid creating needless risks, such as a seismic event closing the canal indefinitely,
- preserve the ecology of both oceans and the canal's freshwater reserves, and
- increase its service, reliability and future growth potential.

As part of the basis of my request, and as information to the EIB, I include a document that our committee received (copied below) which summarizes the engineering solutions to the technical risks facing this expansion. Its author, _____ is a research scientist and professional engineer with extensive background on this subject and highly qualified to comment on it. The independent research and investigation team he established has worked in parallel to the PCE project since early 2003. Results of this work have been favorably received and reviewed by subject-matter-experts, academics and professionals in various countries.

There are, of course, further references and documentation we can provide you in support of this review request. If you are not the appropriate entity I should be addressing, I would appreciate your letting me know which one is and what mechanism to invoke.

With so many interests and third-parties involved, the difficulties in correcting projects at this stage confirm how critical it is to:

- verify and certify designs, procedures and statements truly independently, and
- resist being taken in by the excitement a major project like this one creates.

With projects, especially of this size, it is more comfortable for outsiders to assume – or hope – that ethical conduct has prevailed and details have been handled by qualified people as thoroughly as promoters portray. Unfortunately as we have seen, many other projects in Panama -- seeking or having received financing – besides this one, are not in line with the greater objectives laid out by conventions and treaties.

Fortunately, it is not too late to transform the Panama Canal Expansion project to ensure the Panama Canal is not a source of future damage, but continues to be an example of a profitable and sustainable venture for the common good.

I look forward to receiving your response and guidance and to assisting in any way necessary to guarantee the truly successful expansion we seek.

Sincerely yours,

25 March 2011

Document below: "[Questioning the Panama Canal Expansion Project's Compliance with Loan Stipulations](#)"

Gatún Lake Defense Committee (Comité ProDefensa del Lago Gatún)

The Gatún Lake Defense Committee advocates for a genuinely responsible and sustainable expansion of the Panama Canal, where its valuable resources are used effectively and left undamaged for the benefit of this and future generations. *El Comité ProDefensa del Lago*