Dear Sirs,

We would like to submit our comments to the EIB's Energy Lending Policy that is now under revision. As representatives of Ukraine we ask you not to invest into any projects related to shale gas extraction, as we consider it to be extremely dangerous for humanity and for all life on the planet.

Extracting of shale gas in densely populated areas in Europe and in Ukraine in particular brings enormous threats for the wellbeing of hundreds of thousands of people. In particular we would like to stress that shale gas extraction has numerous environmental effects:

- Pollution of the groundwater and drinking water by hydraulic fracturing chemical agents
- Pollution of the groundwater and drinking water by radioactive elements
- Contamination of groundwater and drinking water with gas
- Seismic risk and instability of the ground in the region of shale gas extraction
- Surface contamination of soil by hydraulic fracturing chemical agents
- Risk of evaporation of toxic agents from the hydraulic liquid stored in open tale ponds
- Enormous water consumption and loss of groundwater, that is already scarce in Ukraine

Moreover we consider the shale gas to be completely unprofitable. It is known that the average lifespan of gas wells in the USA is 30-40 years. But, for example, in the field Barnett (shale gas) about 15% of wells drilled in 2003 have run out of resources after five years of exploitation. Because of this the extracting companies are forced to continuously drill new wells to replace exhausted ones. That significantly increases the cost of production. There is an opinion that the current hype surrounding shale gas is the result of a sophisticated PR campaign, backed by Chesapeake Energy, Statoil and other corporations that have already invested in these projects significant amount of money and now need an influx of additional funds. It was revealed that the gas companies in the U.S. have reported higher production volumes and proved reserves of gas than in reality, and understated the cost of production - to raise their quotes on the stock exchange. The U.S. Department of Energy had to admit it, and it was announced that the indicators of production would be adjusted downward.

We call on you to support instead energy efficiency projects in Ukraine, in particular in housing sector. As well it is crucial that such a powerful organization as EIB brings European experience to Ukraine and supports in our country the development of renewable energy sources, because Ukraine has a great potential for it.

Thanks for attantion!

Submitted by email on December 26, 2012
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