



Bankwatch
Network



Za Zemiata
Friends of the Earth Bulgaria



To: Commissioner Cretu, Commissioner for Regional Development

CC: Commissioner Vella, DG Environment

CC: Commissioner Vestager, DG Competition

CC: President Hoyer, EIB

CC: Ville Itälä, Director-General of the European Anti-Fraud Office (OLAF)

CC: Ska Keller, Co-President Greens/EFA

15 February 2019

Re: Possible Corruption and Breach of the Rule of Law in Bulgaria (Major project “Struma Motorway”, funded by the Cohesion Fund and EIB)

Dear Mrs. Cretu,

We are writing to inform you about irregularities identified in tenders and construction work of the Struma Motorway.

Between 11 and 13 February 2019, the Bulgarian television bTV presented an independent investigation about the illegal construction of 7km of access roads and 13 exploratory drillings on the territory of NATURA 2000 site Kresna-Ilendentsi (BG0000366). The illegal construction and drilling are associated with the construction of Lot.3.2.2 of the Struma Motorway.

We recall that DG Regio has already supported the design and construction of Struma Motorway with EUR 605 million of EU Cohesion funds¹ and is also expected to finance the last section of the motorway - lot.3.2.

The investigation documented two concerns that were already outlined in previous communications with the EC, namely systematic violation of the EU environmental legislation and unlawful practices in decision-making about Struma Motorway design and construction:

1) Illegal construction of 7 km roads and 13 exploration drillings involved several months of work with heavy machinery in a NATURA 2000 site. We would like to recall that the Kresna-Ilendentsi (BG0000366) is one of the richest biodiversity hot spots in Bulgaria and Europe. For more than 20 years, CSOs have been raising concerns about protection of the site and the need for measures to avoid loss of biodiversity.

Our Infringement Complaint CHAP(2017)02186 showed data that since the construction of Struma Motorway started, the abundance of all protected bats in the Kresna Gorge has decreased by 92%, protected tortoises and snakes have decreased by 60% and all vertebrates declined by 84%. This impact is clearly related to growing road traffic and violation of mitigation measures prescribed in the EIA/AA 2008 decision 1-1 on construction of the whole Struma motorway. Thus **the**

¹ Major Project “Construction of Struma Motorway lots 1,2 and 4, and preparation of lot 3” (CCI n 2011.BG.161.PR.006) with EUR 274.297 million, including a EUR 4 million grant for technical preparation and design of the Lot 3 – 62km, and Major project Lot 3.1 and 3.3 of Struma Motorway financed with EUR 330 million.

construction of Struma motorway in all other sections has been carried out with adverse cumulative impacts on Kresna-Ilindentzi BG0000366 SCI and by applying a “salami” approach.

2) The illegal construction work related to lot. 3.2 of Struma Motorway shows also a breach of Public Procurement Legislation of Bulgaria for procurements associated with EU funds. The attached videos ²present preparatory works alongside the potential route of lot. 3.2 BEFORE the procurement procedure for the same works has been even launched. In other words, a private company carried out construction work anticipating the outcomes of the public procurement, which provide the company with information that is not accessible to other candidates in the tender. What is more, carrying out the works in advance also put the company in a privileged position as the time-constraints for construction will be one of the key elements of this tender. The investigation shows that the construction work and taking geological samples were carried out without any notification to responsible authorities. The impact of these works are not assessed in the Environmental Impact Assessment of the project either.

The interviews with the head of the construction company also shows this case was not isolated practice and similar preparatory works were carried out by the same company also in October 2016 in relation to another tender, namely the tender for the preliminary design of Lot 3.2 that was won by the company in April 2017. The same private company is also participating in the construction of lot 1, lots 2 and 3.3 of Struma Motorway.

We must insist on action from your side to investigate the irregularities of this project and ensure that a variant of the Motorway outside of the Gorge is completed in due time and in line with the EU legislation requirements. More specifically we call for a:

1. Review of the EIA of lot 3.2 of Struma Motorway and Infringement Complaint CHAP(2017)02186 in due time to ensure that the protection of Kresna Gorge is guaranteed;
2. Full investigation of the decision-making process and influence of the private construction companies and their Chamber of Commerce on the procurement of design and construction work for Struma Motorway;

We are looking forward for your actions to avoid the misuse of precious public resources and enforcement of EU legislation. We would like to be informed about steps taken by the EC in this regard.

Sincerely yours,

Anelia Stefanova
Programme Director, CEE Bankwatch Network
Hermanova 1088/8, Prague 7, 170 00, Czech Republic
Tel: +393338092492 E-mail: anelias@bankwatch.org

² <https://btvnovinite.bg/predavanja/tazi-sutrin/razsledvane-na-btv-rabotjat-po-uchastak-ot-am-struma-predi-da-e-izbran-izpalnitel.html>

<https://btvnovinite.bg/bulgaria/razsledvane-na-btv.html>

https://btvnovinite.bg/predavanja/tazi-sutrin/firmata-izgotvila-idejnija-proekt-za-otsechka-ot-struma-e-pravila-vremenni-patishta-i-sondazhi.html?fbclid=IwAR26aA6PIq_Oo2OUR62st_G0DeQszg31zX4sa4YQzVfdDEbtjhRTIPpfyfs

<https://btvnovinite.bg/bulgaria/proverka-na-gorskoto-stopanstvo-potvardi-razkritijata-na-btv-za-badeshtata-otsechka-ot-struma.html>

Andrey Kovatchev
BALKANI Wildlife Society
93 Evlogi i Hristo Georgievi Blvd., fl. 1, apt. 11142 Sofia, Bulgaria
tel: + 3 59 88 7 788 218, e-mail: kovatchev6@gmail.com

Desislava Stoyanova and Daniel Popov
Environmental Association "Za Zemiata" (For the Earth)/FoE Bulgaria:
Sofia 1000, PO box 975
tel./fax: + 359 2 943 11 23, e-mail: desislava@zazemiata.org, dpopov@bankwatch.org

Petko Kovachev
Green Policy Institute
93 Evlogi i Hristo Georgievi Blvd., fl. 1, apt. 1, 1142 Sofia, Bulgaria
tel./fax: +359 88 8 420 453, e-mail: gpibulgaria@gmail.com

Dimitur Vassilev
School for Nature Vlahi
Village of Vlahi, Municipality of Kresna, Blagoevgrad district, 2841 Vlahi, Bulgaria
tel: + 3 59 88 7 584 853, e-mail: vassilevdimitur6@gmail.com