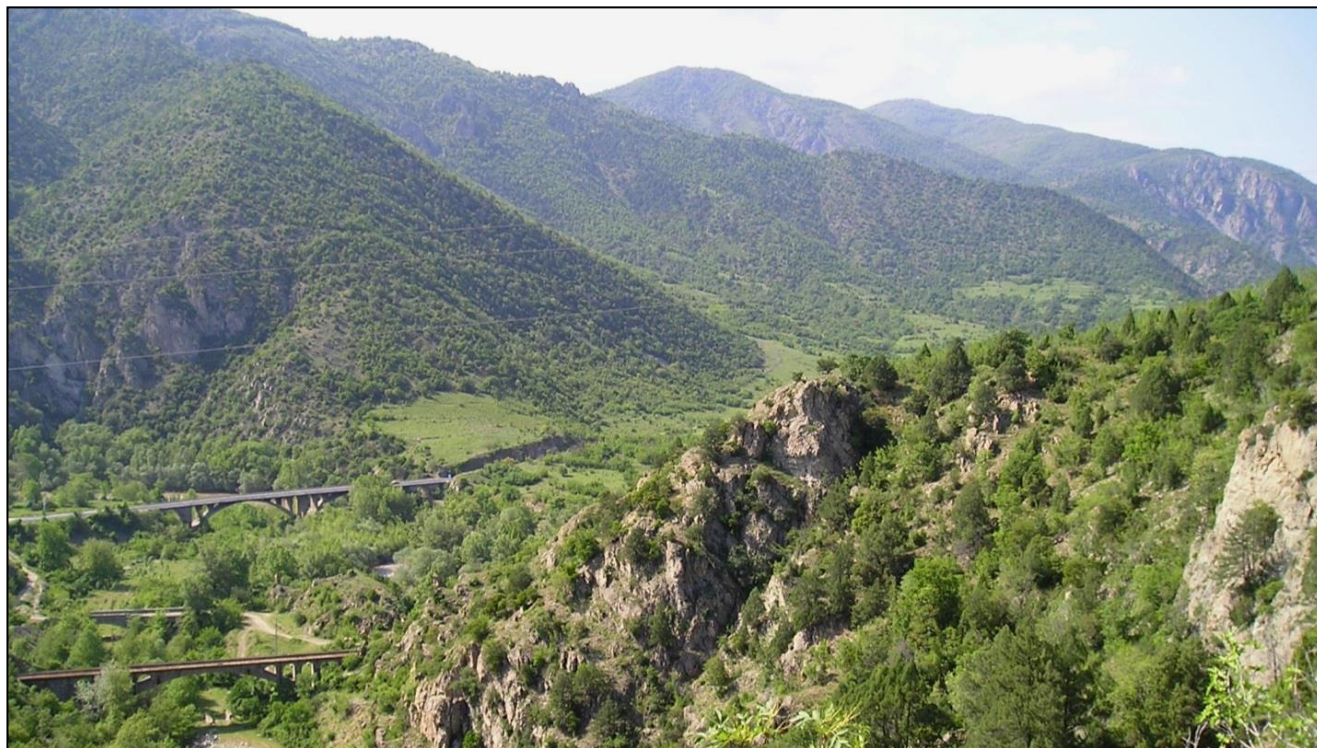


Save Kresna Gorge, Bulgaria!



Introduction

The imminent construction of the “Struma motorway” through the spectacular Kresna Gorge, Bulgaria, will have a devastating impact on a unique Bulgarian and European natural treasure. Without urgent action, EU taxpayer funds could be used to finance a motorway development that would have devastating consequences for this wildlife haven and protected habitat – despite an EU demand to tunnel the road, and the existence of clear alternatives. Unreliable environmental impact assessments and a potential violation of the EU Habitats Directive, suggest the European Commission should now step in to ensure EU funds are not used for a project that contravenes EU standards.

The project and the Kresna Gorge, key facts

A hotspot of magnificent and irreplaceable Bulgarian and European biodiversity could soon be lost forever – if the Struma Motorway is built through the Kresna Gorge in Southwest Bulgaria. The Struma motorway (or E79 corridor no. 4) is planned to link Dresden, Budapest, Sofia and Istanbul with an additional Sofia-Kulata-Thessaloniki (Greece) link.



The Bulgarian government now clearly intends to route the motorway right through the middle of the Gorge, despite previous examinations ruling out this option due to the environmental threat of such a motorway construction, and in defiance of an EU instruction to avoid the Gorge and route the road via a tunnel.

The Kresna Gorge is a biodiversity hotspot of European importance – a Natura 2000 nature site and protected haven for some of the EU's most threatened species and habitats – as well as being an area where local people have the potential to develop tourism and sustainable agriculture.

Kresna Gorge has been a case study for natural science for generations of Bulgarian biologists. 17 kilometres-long, located on the border between the continental and Mediterranean climatic zones, the Gorge has the highest concentration of biodiversity in Bulgaria, and one of the highest in Europe. Its steep slopes are home for hundreds of rare and threatened animal, insect and plant species which have used the Gorge as refuge since the Glacier era. It hosts 35 EU protected habitats and 92 EU protected species including the European wolf and Brown bear, designated by EU law as requiring strict protection.

This unique nature reserve is under acute and existential threat today.

International traffic between Sofia and Thessaloniki (in Greece) currently already passes along an existing smaller road through the Gorge. The existing nine-metre wide road is already responsible for the deaths of around 70 vertebrate animals per day. If the dual-carriage motorway is constructed through the Gorge, the slopes and the riverbank of the Struma River will be destroyed and thus also the feeding, reproduction and hibernation sites for many of the rare and endemic species –some of whom could completely disappear. The migratory path for bears, jackals, wolves and other species along the river valley will also be cut off.

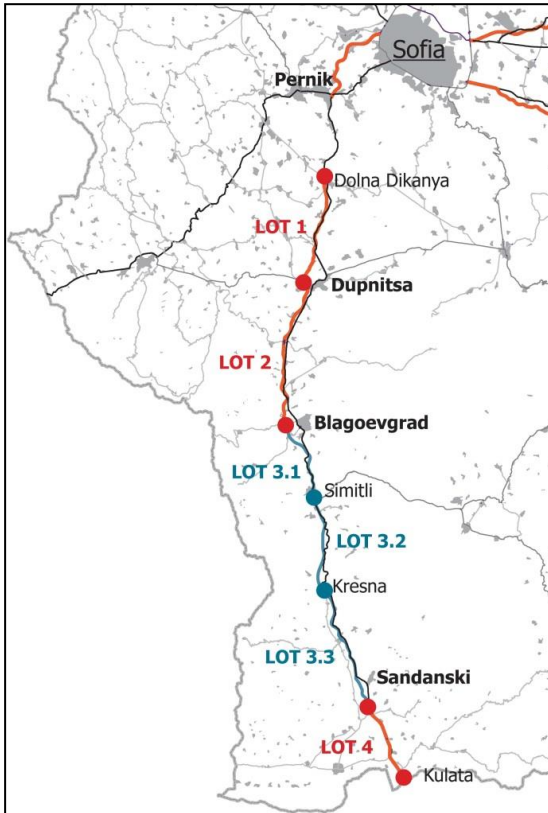


If the plan proceeds, the motorway will pass 30 metres from the school and the outlying homes of the town of Kresna, with noise and air pollution impacts on gardens, vineyards and local people. Kresna Gorge is the producer of the endemic Keratzuda wine brand. People have no alternatives for other agricultural land if this is taken or destroyed. The construction will affect and probably ruin the large Melo Sand Hill, one of the landmarks of the community. Small family-run businesses along the current road will disappear¹.

¹ According to the local authorities, currently around 300 people depend on the shop and restaurant business along the existing E-79 road. Those will be lost if the motorway passes through the gorge.

The conflict

Save Kresna Gorge campaign – launched by BALKANI Wildlife Society, Wilderness Fund, environmental association "Za Zemiata" (Friends of the Earth Bulgaria), the Bulgarian Society for the Protection of Birds (BSPB), Green Policy Institute, the Centre for Environmental Information and Education, Association "ECOFORUM" and CEE Bankwatch Network – has countered plans for the motorway construction for 18 years, involving studies, protests, petitions, correspondence with the authorities and thousands of people.



The EU has long demanded that the motorway must avoid routing through the Kresna Gorge – and has offered €846 million EUR² of EU taxpayer funded grants for the motorway so long as an underground tunnel avoiding the valley is constructed.

In 2001 then EU Environment Commissioner Wallstrom pointed to the need for development of alternative routes, to prevent negative impacts on Kresna Gorge and comply with the requirements of the EU Habitats Directive (92/43)³. The Bern Convention in 2002, following an on-site appraisal, recommend the development of alternatives outside the Gorge, as irreversible impacts on the site would be “unacceptable”⁴.

Guided by the EU Habitats Directive, the European Commission, national experts and the local population agreed as part of the Environmental Impact and Appropriate Assessment (EIA/AA) in 2008⁵, that the 13-km tunnel is the only feasible option for avoiding damage to habitats and species in Kresna Gorge and that the tunnel should be constructed before the rest of the motorway.

The European Commission reiterated its condition in 2012, stating that the tunnel(s) bypassing Kresna Gorge should be constructed as soon as possible:

“Commission services have serious reservations about providing a Commission approval to finance parts of the Motorway without having any legally binding assurance that the results of

² Bulgarian OP Transport 2014-2020 and http://ec.europa.eu/regional_policy/upload/documents/Commissioner/Major-Project-Struma-motorway_Bulgaria_26022013_final1.pdf

³ The first statement of the EC regarding Kresna Gorge is dated September 13th, 2001 when Mrs. Margot Wallstrom, at the time Commissioner for the Environment replied to a letter sent by Bulgarian NGOs from 19th of July 2001

⁴ Bern Convention on spot report: “The passage of a road in the gorge (alternatives zero, red and green), obligatorily involving irreversible impacts of great influence in a single site of recognized importance and without possible measures of compensation, is thus unacceptable.”, Recommendation 98/2002 <https://wcd.coe.int/ViewDoc.jsp?id=1488973&Site=>

⁵ 2008 EIA/ AA decision: Any motorway construction in the gorge and the option to maintain the current road for international traffic (the so called zero option) was deemed not in compliance with the EU Habitats Directive because of the detrimental impacts on the protected biodiversity and habitats that could not be mitigated.

the EIA and of the Habitats AA will effectively be implemented, i.e. that the tunnel will be built.[...] there needs to be absolute assurance that lot 3 of the Struma Motorway will be realised by means of one or more tunnels bypassing the Kresna Gorge. The tunnel option is a prerequisite for financing of lot 2 and lot 4, yet the lack of progress on the technical preparation of the construction of the tunnel(s) does not provide sufficient confidence that this option might not be abandoned at some point in the future.”⁶

Nevertheless, delays by the Bulgarian government in designing the tunnel, led in 2013 to the EC approving €274 million EUR of funding for the construction of Lots 1, 2 and 4 of the Struma Motorway – the sections to the north and south of the Gorge – including a €4 million EUR grant for technical preparation and design of Lot 3 (62 km), the Kresna Gorge section including the tunnel design. However the Bulgarian Government has since spent 3 years and the €4 million EUR grant on developing arguments against the tunnel. EU funds were used for a questionable geological study which, without making on-the-ground verifications along the tunnel route⁷, recommends passing through the Gorge, in contravention of the EIA/AA.

In 2014, the Bulgarian Government commissioned a preliminary design of the motorway through the Gorge – based on using the existing road and other options that had already been rejected as “infeasible” on environmental grounds by the EIA/AA⁸. Meanwhile the tunnel design has not progressed since 2008.

Currently the Bulgarian government is preparing a new EIA report, which potentially violates the EU Habitats Directive by neglecting to assess any alternatives than the routing through the Gorge – an option that has already been shown to have irreversible impacts adversely affecting the integrity of the Natura 2000 site and rejected already in 2008 EIA/AA procedures.

Moreover the Bulgarian Government is now (as of March 2016) proceeding with construction of two sections (lots 3.1 and 3.3) of the motorway right up to either end of the Gorge, leaving just the 20 km section in the Kresna Gorge as the last one bottleneck of the motorway. If this impending construction is allowed to proceed *it would almost certainly foreclose other alternative solutions and predetermine the final routing of the EU-funded E79 motorway through the middle of the Kresna Gorge Natura 2000 site*. The EU funds Managing Authority signed on 24th September 2015 a contract with the National Company for Strategic Infrastructure for use of the €322 million EUR of EU Cohesion funds for construction of Lot 3.1 and Lot 3.3⁹. Contracts with construction companies for €211 million EUR were signed for this in 2015. This will effectively eliminate any options for alternative routes that could bypass the Gorge.

The rejection of the tunnel option has been at the behest of the Bulgarian Chamber of Construction Companies who complain that the tunnel is too expensive and complicated for Bulgarian companies to construct.

6 EC First interruption letter Ref. Ares(2012)226301 - 28/02/2012

7 Summary of the independent expert review by Dr. Alexander Radulov, expert from the “Earthquakes geology” section of the Geological Institute of the Bulgarian Academy of Sciences on GEOPS-GEOTECHNICA-CONSULT study, August 2015 was attached in the CEE Bankwatch and Save Kresna gorge campaign letter to DG Region from 12/01/2016y

8 See Annex IV multi-criteria analyses of JASPERS on the alternatives assessed in the EIA/ AA report

9 Project № BG16M1OP001-2.001-0001- <http://www.ncsip.bg/en/index.php?id=49>

Where the EU Commission stands

In conflict with its duty to ensure sound management of EU funds, DG REGIO has so far declined¹⁰ responsibility for appraising whether the progress of the motorway project is in compliance with Bern Convention and the recommendations and requirements stipulated by EC in its letters.¹¹ The design of the tunnel and completion of the section through Kresna Gorge in the budget period 2014-2020 was a precondition in the 1st grant from the EU. The EC is also turning a blind eye on potential violation of EU law with construction of Lot 3.1 and Lot 3.3 – which has bypassed formal application for EC approval for a Major project. The Struma Motorway Lot 3 is the only road priority project listed in the Bulgarian OP Transport 2014-2020 and DG REGIO has remained informed on the progress of this project since 2014, as member of the OP Transport Monitoring Committee.

Without swift action by the European Commission, EU taxpayer funds could by default quickly end up financing the construction of the Struma motorway through Kresna Gorge, in defiance of the 2008 EIA/AA assessments showing this would cause irreparable environmental damage adversely affecting the integrity of the protected Natura 2000 site; and in defiance of the EU Habitats Directive which requires alternative solutions to be pursued.

Next steps

We call upon the **European Commission to ensure that no EU taxpayer funds are used to finance motorway construction through Kresna Gorge conservation area** – a development that would damage irreplaceable biodiversity and the local community, and breach EU nature laws. In particular we urge:

1. **DG REGIO** to publicly (re)state that the EC shall not provide structural funds to the government of Bulgaria to construct a motorway through Kresna Gorge Natura 2000 site.
 - a) To this end, we urge DG REGIO to state that they will also not provide funding for Struma motorway construction through Kresna Gorge post facto;
 - b) and that they will handle the development of Lot 3 (the Kresna Gorge section) as a whole, since early construction of sub lots 3.1 and 3.3 (leading up to each end of the Gorge) would preclude alternative routes outside of the Natura 2000 site and thereby seriously undermine implementation of Art 6.3 of the EU Habitats Directive .
2. **DG ENV** to work closely with the Government of Bulgaria and with DG REGIO to ensure full compliance with the Art.6 of Habitats Directive in last section of the Struma motorway project.

10 Ares (2016) 422744 - 26 January 2016 letter of Bankwatch and Save Kresna gorge signed by Władysław Piskorz Head of Unit - Competence Centre Inclusive Growth, Urban and Territorial Development, DG Regional and Urban Policy.

11 On 26 January 2016 in response to a letter of Bankwatch and Save Kresna gorge coalition, the Commission stated in a letter: *"The Commission is aware of NCSIP exploring alternatives to the long tunnel option but it has neither competence nor any reason to prevent NCSIP from studying alternative routes for lot 3 of the Struma motorway.So far the Commission has not received an official application to approve lot 3 of the Struma motorway. The application and its approval by the Commission are a prerequisite for EU co-financing. While the Commission is following the development of the entire Struma motorway it will only be able to assess lot 3 after it has received the official application including all necessary documentation from the Managing Authority."*

- a) To this end, we urge DG ENV to engage with the Bulgarian Ministry of Environment to ensure the new EIA and AA¹² are of high quality and include assessing of all alternatives and conservation objectives of the site.
3. **The Court of Auditors** to ensure EU funds have not been misspent in this case, by carrying out an audit of the technical assistance grant¹³:
- a) to assess how far €4 million EUR of EU funds were used according to their intended purpose (which was primarily for design of the tunnel);
- b) and to assess the quality of studies carried out by the Government of Bulgaria under this grant¹⁴ (in light of complaints¹⁵ by CEE Bankwatch and Save Kresna Gorge campaign coalition that the geological surveys are of low quality) and specifically consideration of the obligation for compliance with art.6 of Habitats Directive and Bern Convention Recommendations 98/2002.



12 Application form for Major project 'Construction of Struma Motorway lots 1,2 and 4, and preparation of lot 3' described appraisal of 10 alternatives for the section 3.2 (Kresna gorge), where 6 alternatives are considered acceptable in terms of requirements of art.6.3 of Habitat Directive, p. 36

13 Grant CCI 2011BG161PR006 of 16/03/2015 and specifically the Technical assistance – sub-grant Bulgarian EU funds Managing Authority № BG161PO004-2.0.01-0019

14 Same as reference p.9 Summary of the independent expert review by Dr. Alexander Radulov, expert from the “Earthquakes geology” section of the Geological Institute of the Bulgarian Academy of Sciences on GEOPS-GEOTECHNICA-CONSULT study, August 2015 was attached in the CEE Bankwatch and Save Kresna gorge campaign letter to DG Region from 12/01/2016

15 Letter to DG Regio on behalf of Save Kresna gorge Coalition by Anelia Stefanova, CEE Bankwatch Network. Ref.Ares (2016)182466

Save Kresna Gorge Coalition: BALKANI Wildlife Society, Wilderness Fund, "Za Zemiata", Bulgarian Society for the Protection of Birds (BSPB), Green Policy Institute, Centre for Environmental Information and Education, Association "ECOFORUM", and CEE Bankwatch Network.

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