The Initiative Committee of the residential quarters:

'Chehlevtsi', 'Velchevtsi,
'Diado Dianko', "Hadji Tsonev most"

GABROVO, Bulgaria

TO Mr. Vítor Manuel da SILVA CALDEIRA President - ECA

02 march 2016

Dear Mr. Caldeira,

This letter is related with the project road III – 5004 for a Western By-pass of Gabrovo and a tunnel under the Shipka Peak. The project is included in the Bulgarian Transport Operational Programme 2007 – 2013, funded by the ERDF and the Cohesion Fund, and is presented as part of Trans-European Transport Corridor \mathbb{N}^{9} . The EU funding provided for this project² is problematic as it is provided for a branch of the corridor 9 assesses as less beneficial during the cost-benefit analysis, hence it would not achieve value for money. In addition, the route selected for the Gabrovo by-pass affects the residential areas and the quality of life a number of citizens of Gabrovo, thus exacerbating the attitude to the project and to EU funds respectively. Below is given a background and justification as to why the project is approved in disregard of the principles of sound financial management.

European funding provided to the alternative route prior to Bulgaria's accession to the EU

Funds were provided to the transport corridor №9 for the alternative route – through the pass of the Republic (also known as Hainboaz) under LOT 2, project "Transit routes" IV – Road II-55, Veliko Turnovo – Hainboaz (The Pass of the Republic). The southern part of Hainboaz is rehabilitated in 2003. The reconstruction of 30 km cost about \$ 10 600 561 and 60% of the funds were provided by the EC PHARE programme. The reconstruction of the 23 km northern part starts in 2006. The European Investment Bank and the state budget have provided 19,399 млн. евро for the project³.

The funds in question were secured by the EU for this important corridor connecting the northern and southern part of the country, as the main truck traffic for Turkey and Greece passes through it.

European funding provided for the issue after Bulgaria's accession to the EU

According to the General Master Transport Plan for Bulgaria from 2010⁴, funded by the Transport Operational Programme (OP) 2007 − 2013, Trans-European transport corridor №9

¹ http://www.optransport.bg/page.php?c=35&d=1028

² http://optransport.bg/page.php?c=67&d=1496

³ http://www.api.bg/index.php/bg/programi/drzhavni-investicionni-zaemi/tranzitni-ptisha-iv-lot-2-trp402-uchastk-ot-pt-ii-55-s-obsha-dlzhina-22527-km/

⁴ http://optransport.bg/upload/docs/BGTMP_Final_Report_30_11_10_BG_FINAL.pdf

passes Stara Planina (The Balkan) Mountain with two routes – the Pass of the Republic (Hainboaz) and the Shipka Pass. The presentation of the master plan available on the web site of the Transport OP^5 states:

"H23b "Rousse to Makaza through Veliko Turnovo, the Pass of the Republic and Dimitrovgrad" – two options for road improvements were considered for this corridor. Two of them have common parts in the north and south, but two alternative routes for crossing Stara Planina Mountain: Western route through the Shipka Pass and Eastern route through the Pass of the Republic. Each route will achieve the same objectives in terms of providing high quality strategic road connection North – South through the central Bulgaria, but the route through the Shipka Pass will require new roads and a tunnel, which will be very expensive and will have a significant negative impact on the environment. The cost-benefit analysis determines the alternative through the Pass of the Republic as more beneficial".

The General Master Plan for Transport in Bulgaria is the only publicly available document which compares the two routes.

With decision № РД-08-132/24.03.14 of the Ministry of Transport, our colleagues from WWF Bulgaria recieved the cost benefit analysis of the Gabrovo – Shipka project developed as part of the application form for funding project "Road III-5004 "Gabrovo By-pass" from км 0+000 до км 30+673.48 with a tunnel under the Shipka Peak" Analysis of this document showed that assessed alternatives are "with the project" and "without the project, and not a comparison between the two routes of corridor 9 for crossing the mountain.

Additional arguments for the OP Transport funds for the Gabrovo-Shipka Porject are inexpedient

- 1. The Veliko Turnovo Gabrovo road (about 50 km.), which leads to the route through the Shipka Pass, is not suitable for a traffic with heavy truck vehicles (above 12 tones), which pass through the Haiboaz at the moment, because it passes through settlements.
- 2. This 50 km. route has significant altitude differences and many curves. It will pass through the town of Gabrovo affecting several residential areas.
- 3. The highest altitude of the project pass through Shipka is 800 m asl in the northern part of the country, where the approved 3,2 km tunnel is planned to start, whereas the highest point of the Pass of the Republic is about 700 m asl. The road through the Pass of the Republic is 20 km. east of the Shipka Pass.
- 4. In order to reach the short tunnel, the construction of a road of about 4 km in the wildest part of the Bulgarka Nature Park, also part of the Natura 2000 network.

By funding the route through the Shipka Pass the Bulgarian authorities have taken a political decision neglecting basic principles of sound financial management instead of using these funds for projects with better effect to society and smaller impact on the environment and human health.

.

⁵ http://www.optransport.bg/upload/docs/GTMP_Presentation_BG.pdf

⁶ http://forthenature.org/upload/documents/2016/02/Gabrovo%20-%20Shipka%20CBA%20Report_120510.pdf

⁷ http://forthenature.org/upload/documents/2016/02/Gabrovo%20-

^{%20}Shipka%20CBA%20Report_120510_Appendices.pdf

Additional actions to be taken

In addition, please be informed that we have referred to the Committee on petitions of the European Parliament about violations of Directive 2011/92/EU, and Directive 92/43/EEC. In addition, we plan to submit a signal to the European Ombudsman because of the refusal of Bulgarian authorities to consider alternatives, a refusal to consider incorrect data in the EIA report of the project, on the basis of which the project is agreed by the environmental authorities; and the following closure of procedure CHAP(2012)02948 by DG Environment.

It is unacceptable that EU funding will be provided for a project which disregards the principles of sound financial management, will destroy habitats of European importance and will create ecological problems of thousands of people from the Gabrovo residential quarters.

We hope that this signal will trigger the necessary actions for revealing the above facts and the follow-up measures. We are ready to provide further information.

Best regards:	Representatives of the Initiative Committee: