

Provincia di Lecce

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**Technical and Juridical Commission for the evaluation of TAP project
Municipality of Melendugno**

To: Suma Chakrabarti
European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Prot. N. 6961

March 14th, 2018

Notification letter to the EBRD about the Trans Adriatic Pipeline (TAP) project

On behalf of the Technical and Juridical Commission for the evaluation of TAP project set up by the Municipality of Melendugno (Lecce, Italy) with resolution CC n° 24 dated 14/10/2013, please find in this notification letter some relevant information related to the Trans Adriatic Pipeline (TAP), a major infrastructure project that interest Italy, Albania and Greece – for which the EBRD is discussing a 500 million euro loan and syndicated loan of 700 million euro.

The Trans Adriatic Pipeline is a gas pipeline part of the larger “Southern Gas Corridor” (SGC), aiming to connect the offshore gas field of Shah Deniz in Azerbaijan with the European gas distribution system¹. The European Union (EU) has identified the SGC as one of its priority energy infrastructure projects. The project proponent is Trans Adriatic Pipeline AG, a company registered in Baar, Zug, Switzerland. The shareholders of the company are limited liability companies².

In this context, we take the opportunity to notify that:

- on February 20th 2018 we have filed a complaint to the Public Prosecutor in Lecce denouncing the violation of EIA prescriptions A.36 and A.55 and the consequent high risk of soil and water pollution at the TAP construction site in the locality of San Basilio (Melendugno, LE).

¹ <http://www.tap-ag.com/>

² Trans Adriatic Pipeline AG shareholders are: Axpo Trading AG, BP gas marketing Ltd, Fluxys Europe B.V. , Enagas Internacional S.L.U, Statoil Holding Netherlands B.V. , AzTAP GmbH. Source: Italian Commercial Registry.

The complaint – that you find attached to this notification, with video and photo evidence – highlights that:

1. The Italian Regional Environmental Agency Puglia (ARPA Puglia) determined that actions and measures needed in order to comply with prescriptions A.36 and A.55 – oriented at preventing soil and (surface and ground) water pollution – should be taken before and during construction operations. To date, both prescriptions have not been operationalised according to ARPA. The ARPA report that testifies this is attached.

2. The construction site is not waterproofed; machineries used at the site are in direct contact with the soil; drills perforate and directly inject cement, which is likely to contain pollutant additives (polymeric additives); waste water is being discharged straight into the construction site and even beyond its boundaries, reaching agricultural properties (olive groves).

3. The construction operations are impacting the water reserve. Large amounts of water are being pumped at the construction site, causing the substantial lowering of the water reserve's level, as noticed in the water wells located on properties in the area

- On January 9th 2018 media reported that the public prosecutor in Lecce have reopened the investigation on alleged violation of the EIA for the Trans Adriatic Pipeline, in relation with the alleged violation of the European Directive on Technological Disaster Risk Reduction, known as "Seveso Directive"³. The public prosecutor have notified fraud allegations to TAP country manager for Italy Michele Mario Elia, to the legal representative for TAP in Italy, Claudia Risso, and to the General Director for Energy Infrastructure at the Ministry of Development, Gilberto Dialuce⁴.

Therefore, we request to the European Bank for Reconstruction and Development:

- to open an investigation addressing the risk of water and soil pollution, clarifying what polymeric additives have been used since November 2017 and in what percentage, and disclose their disposal plan;

- to verify, with Italian authorities and project promoter, how the risk of soil and water pollution is being addressed and how prescriptions A.36 and A.55 are being implemented, before any construction operations continues

- to call for the implementation of all environmental and safety measures included in the Environmental Impact Assessment (EIA)

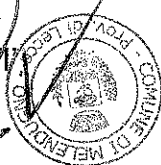
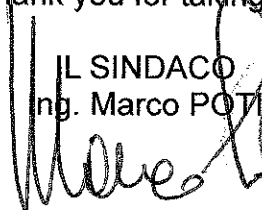
³ http://bari.repubblica.it/cronaca/2018/01/09/news/lecce_riaperta_l_inchiesta_sul_gasdotto_tap-186115727/

⁴ http://bari.repubblica.it/cronaca/2018/01/10/news/gasdotto_3_indagati_nell_inchiesta_riaperta_dalla_procura_di_lecce_i_vertici_di_tap_e_il_dirigente_mise-186210256/

- to put on hold the approval of loans until all the above points are clarified, guarantees are given to communities in Italy, and investigation and following trial for alleged violations of the EIA are concluded at all levels of judgement

Thank you for taking this letter into consideration, We look forward to your response

IL SINDACO
Ing. Marco POTI



FOR TECHNICAL AND JURIDICAL COMMISSION

Ing. Alessandro MANUELLI, Ph.D

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