



EL CASO CÁDIZ

██████████
Cádiz, SPAIN

Web: <http://elcasocadiz.es/>

E-mail: info@elcasocadiz.es

Phone: ██████████

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Reply to the EIB CONCLUSIONS REPORT "new Containerterminal project" in Cádiz

Dear sir or madam of the EIB,

1. What's going on with that EIB-loan and the promoter?

The report, on page 9, 5.6 states, that *"the Finance Contract between the Borrower and the EIB includes a condition that the EIB may only release funds for this project if the Borrower provides the EIB with a copy of the decision from the European Commission, evidencing that the ERDF funds have been awarded to the project with an amount and terms that are satisfactory to the EIB."* On the same page, 5.5, the report indicates, that the respective decision still hasn't been taken yet. On page 13, 10.3 states the reception of *some favourable opinion evidenced on file...* The EIB Secretary General states in his letter joining the EIB-CM-Report: *"Moreover, the EIB's financing is contractually dependent on the approval and disbursement of the ERDF funds."* Really?

Fact is, that the Commissions department Regio-Spain stated on the last 18th of October, that *"Le Grand Projet "Nueva Terminal de Contenedores de Cádiz" continue en phase d'instruction et donc aucune décision de la part de la Commission n'a été prise."* (Annex 1). Another fact is, that the promoter APBC, since having signed the EIB-loan, is conducting the projects construction works ahead at full speed, on one hand and on the other, that this same promoter is a public institution of an European country with some tremendous budget-problems. The project itself expects an European funding of some 87%! If the Commission would decide against the project, the EIB would have wasted another tens of millions of Euros.

Has the EIB released funds for this project without respecting the contractual condition of a previous decision of the Commission, putting at risk the loan given, if the Commission would decide negatively?

Regarding this precise subject, we'd like to appoint to the fact, that the Commission has halted last May some 35 million Euros that were destined to the dredging of the Guadalquivir, due to environmental concerns regarding the Doñana National Park. But this precise dredging is an integral part of the EIB-loan of 100 million Euro for a new entry lock in Seville signed in 2006, a decision which back then failed to ensure the issue of the negative impact on the National Park being resolved! It was specifically the Spanish Minister of Constructions AND the EIB, who had failed to ensure the issue being resolved beforehand, although officially "projects preparation by the EIB can take several years of preparation, reviewing and assessing"... In fact the issue was "resolved", based on some favourable report, which later turned out being fundamentally insufficient. Supposed this present issue would turn out in the dredging being declared infeasible, than the EIB's loan for the entry lock would end up as a loss. As a consequence, today in 2012, the EIB and the Commission *are* subject of a conflict amongst them, the EIB eager on destroying Doñana...

As exposed in our various communications, Cádiz, if not screwed-up mainly as an international solid-bulk port, which as such is the reasoning for diverting the remaining maritime logistics traffic up to Seville, in fact represents the alternative to the dredging of the Guadalquivir river and the presumably negative impact on Doñana. Now, with the local promoter pushing construction works ahead at full speed but without any economic boom and need in sight, but creating a debt on the "new Containerterminal" ground, which in fact is designed only as port of regional level, all while sentencing hastily the principal million square meter into a bulk area, **any alternative to the "dredging of the Guadalquivir / new entry lock in Seville" project would soon end up inexistent.**

Is this the EIB's hidden objective , when either violating the contractual clausal or failing in asking the borrower of a signed EIB-loan to restrain? (the archaeological interruption was no reserve in that sense). Is the EIB consciously promoting the outcome of an coaction, conducted by the local promoter APBC, towards a series of issues that are unresolved in the present, but in which the EIB is being engaged as a lender?

2. Besides this paramount issue, the EIB mentions all of our complaints and communications, but omits *en passant* two further paramount issues raised in our additional information from the 13 April 2012 (recalled in the EIB-report on page 5, 1.6):

Firstly, that the fact of the major ground of the Port of Cádiz Bay being dedicated to the bulk traffic, should be included in the environmental impact of a "new Containerterminal" -project, since its location, size and arrangement appears to result as a direct consequence and part of the purpose of bulk-activity.

Our letter of the 13th of April on the whole, is pure evidence of how today's consciousness about the international bulk activity as core purpose within the whole infrastructural program going on, by the time

and before was fairly absent of the public awareness. The EIB in its report has not acknowledged this issue, but adopt blindly the presentation of the local promoter APBC, citing on page 12, 9.2: *"The development of the Bay of Cádiz Port infrastructures is in line with a Strategic Plan which has been widely discussed and involving all the stakeholders. This Strategic Plan was started in the year 2000 and contained a set of strategic lines of action, including a decision to have specialist docks, which has been possible thanks to various investments which have had three key consequences for the layout of the port: 1. The reinforcing of the La Cabezuela-Puerto Real wharfs for bulk-traffic, 2. Development of the El Puerto de Santa Maria dock for the fisheries sector. 3. The reorganisation of the Cádiz Dock wharfs (1st phase)."* This all sounds so well and without doubt this Strategic Plan of 2000 was laid down. Still the plan to dedicate the Bay of Cádiz Port mainly for the bulk-activity has never ever been "widely discussed, involving all stakeholders" ... at least not the stakeholder "regional citizens of Spain". The people of the Cádiz Bay Area only start getting aware of the fact, that its principal port ground of excellent strategic location, for which Cádiz is known all over the world, that this potential will be dedicated to the bulk-activity, known for especially few labour but a tremendous dust problem. How can you believe, that a regional population, record-holder of unemployment, would have discussed the issue "widely" ... only to end up with wanting the bulk-activity? Instead the persons pulling the strings waited until the new entry lock to the port of Seville – the diversion of the logistic maritime transport – was financed and built. The same people also awaited the decision, to have the second bridge crossing Cádiz Bay was decided and started. Then the same people worked on having the "new Containerterminal" project in Cádiz approved and financed by European institutions. Its only now, since June 2012, that the APBC offers a public presentation of what the international bulk-activity really is about. - A serious and "widely discussed" debate whether to manipulate solid and liquid bulk surrounded by five cities in the heart of the Bay Area, in a region of tourist potential and of highest unemployment, never would turn out in favour of bulk. A big bulk port for the 21st century on the south-western edge of Europe, must be situated away from existing urban areas.

Secondly, that **the new access bridge to the new Containerterminal** must be considered as part of the project, something which apparently positively is the case to the EIB, ... whereas in reality it isn't.

The EIB-report mentions this bridge on page 8, 5.1, in relation of the heavy traffic generated by the port. Besides the fact that one could suppose that therefore road traffic generated by the port, as a consequence would stop crossing the city on its whole length, whereas the truth is, that the APBC NEVER EVER has stated an according commitment..., and besides the fact, that we have pointed out especially, that a new Containerterminal also generates "light" traffic, such as cars and lorries of thousands of employees and suppliers, which would cross the city on daily basis, the issue ignored completely in all studies and whatsoever of APBC and EIB; **THIS BRIDGE** it is another **TREMENDOUS ASPECT** which the EIB-CM just omits:

This 430 million Euro access bridge to the "new Containerterminal" is financed not as part of the industrial port development, but as investment in new mobility infrastructures for the region. With respect to this,

one must know, that this region is still awaiting such mobility infrastructures whereas other Spanish regions are already enjoying them as part of their economic strength. The Cádiz Bay Region, today, still functions on its mobility infrastructure of last century, a reason why the Jerez Airport is in permanent difficulties, whereas the region actually would dispose of the according potential (tourism).

The EIB *does* dispose of first hand knowledge about the issue, since the at the time Minister of Constructions of Spain who developed and signed this infrastructure, is now a high-level employee of the bank.

This bridge was decided on a bid of the local mayor and two years before the "new Containerterminal Project" was decided. This bridge is NOT part of the project "new Containerterminal". Now one could think, that the former presence of the industrial port activity at the edge of the island-like city, appoints to a naturally given participation of its needs in the planning of new mobility infrastructures. But asking the EIB vice-president [REDACTED], or the president of the APBC about the issue, or reading the announcement of the government budget regarding this bridge, one always will get the same finding: This bridge is fully accounted to the civil traffic... This contradiction has a very precise reason: As soon as acknowledging the question, about what part of the cost is accountable to Puertos del Estado and what percentage to the civil traffic, ... the "new Containerterminal Project" budget would get charged with several hundred million Euros, turning the cost-benefit relation of the project immediately into an absurd. This is even more so, since the bridge infrastructure is of hardly any utility to the civil mobility.

Phase I of the Containerterminal project contains some 120 million Euros, raising to some 210 million Euros when executing Phase II. Already 75 million of the total amount are spent for an internal access tunnel, another expense due to complicated location and access. Actually we're talking about a 140 million Euro port project, that needs a previous 500 million Euros inverted in access infrastructure (bridge and tunnel)... This is what we call "phenomenal building work required", as cited on page 11, 9.1, Text from Report APBC, complainants arguments, 2.b).

The "who finances this bridge"-issue is being charged by us towards the Spanish authorities. But actually it isn't decisive, whether we personally succeed with this or not: The illicit appropriation of the public funds for "mobility infrastructures for the people" will much sooner than later become evident, especially when inaugurated and revealing its true poor improvement of the civil mobility, besides an always widely perceptible need of the Containerterminal for precisely this bridge...

Well: The people of the Cádiz Bay region still await and need their new mobility infrastructures...

3. Regarding the rest of the report...

The EIB – when asked for - reveals all its sounding commitments about environment, sustainability and

regional development, as in fact being limited on the quality of the official administrations of the member state, their regional administrations and the promoter himself. This is the predominant statement of the EIB regarding all our allegations. We have never asked the EIB to "investigate" other administrations; all we had asked for, was, that the EIB in Luxembourg would form an own opinion, BEYOND the indications given by the Spanish authorities and the local promoter. The EIB-CM report lacks of any motivation to do so. Significant is also, that the time lap of a maximum of ten month for conducting a review of such a lousy make, reveals a deliberate unnecessary delay.

Either the EIB is subject of blatant nativity, or simply lacks of interest accomplish its duty: Especially the Andalusia region of Spain was in the last 15 years recipient of intense European funding with the goal of economic growth and sustainability ... ending up with today's result of a 35% unemployment rate (Andalusia)! If the EIB isn't able to perceive this precise outcome of European funding managed by Spanish administrations, as being a tremendous failure and disaster, but instead insists on full credibility and trust towards precisely these administrations, including the studies and figures they provide, we'd like to put up the following question: How could the EIB be a trustworthy distributor of European funding, as planned recently? How can the regional implication be improved, as desired, when the EIB declares itself unable to question data provided by this regional administrations?

EL CASO CÁDIZ has understood, that the EIB never was a hoodwinked European administration, mislead for instant by local Spanish representatives like [REDACTED], but instead has been at the bottom of the entire *Concept of International Transport in Western Andalusia* from the beginning, in which the core part consists in turning the Cádiz Bay into a port for international bulk-activity and the EIB acting on behalf of this partly extra-european, sectoral interest. This becomes evident by looking at precisely the EIB's loans, the new entry lock in Seville, as well as the "new Containerterminal" in Cádiz, acting as "compensation" towards the Andalusia authorities, for getting the Cádiz Bay handed out for bulk. Dear EBI: Theses type of "compensation" must be financed by this precise private industrial sector, and NOT through Europa institutions based on public money.

Finally we understand that the EIB believes to argument its decision based on European principals and regional development: whole Andalusia is poor... But there is one thing limping in the whole story: Your "regional development" occurs on cost of the main economic potential of a whole region, the Cádiz Bay Area, traditional record holder of unemployment, AND on cost of the funds in mobility infrastructures for the people and the regional economy. This is so wrong ...

Faithful to Cádiz, Spain and Europe