



for environmentally and socially responsible life

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# **TEŠ 6 and corruption: lessons learned**

Šolta, 9 July 2013

## Short overview of the project

- ▶ 600 MW
- ▶ 'ecological' replacement of blocks 1-5
- ▶ total cost €1,4 bln EUR
- ▶ 2007: EIB loan €350mln
- ▶ 2010: increase of EIB loan to €550mln
- ▶ 2011 EBRD loan €200mln
- ▶ HSE (owner, 100% state owned): the rest
- ▶ 2012: state guarantee for €440 mln of EIB loan



## Fast history of the project

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- ▶ appears in governmental list of 'Development projects of Slovenia' in 2004 (together with an artificial island)
- ▶ in 2006 first steps are taken: energy permit
- ▶ in 2007 first request to EIB is made for money: first action in Ljubljana
- ▶ in 2009, EBRD's public consultation launches the project on the map
- ▶ in 2016 start of operation

# Necessary? No!

	Kazalci zanesljivosti					Kazalci okolja					Okvirna višina investicij 2010-2020 oz. 2030 <sup>128</sup>
	Diverzifikacija virov	Uvozna odvisnost	Delež proizvodnje el. en. iz domačih virov glede na skupno proizvodnjo el. en.	Obratovna zanesljivost	Izvoz električne energije	Emisije CO <sub>2</sub>	Emisije CO <sub>2</sub> zunaj ETS	Emisije NO <sub>x</sub>	Emisije SO <sub>2</sub>	Emisije prašnih delcev	
		[%]	[%]		[TWh]	[Mt CO <sub>2</sub> ekv.]	[Mt CO <sub>2</sub> ekv.]	[kt]	[kt]	[kt]	[mio EUR <sub>2008</sub> ]
Stanje v letu 2008	HE, JE, LIG	36,0		-	-1,4	16,9	9,1	38,8	11,9	6,3	
Scenariji leta 2020		2020									
OSN INT	HE, JE, LIG	46,2		OK	1,5	14,3	7,2	27,5	8,2	5,2	2.360
JE INT											5.948
PLIN INT											2.640
DOD JE	HE, JE, LIG	49,6		OK	2,1	14,5		27,9	6,6	5,2	5.562
DOD PLIN											1.974
Scenariji leta 2030		2030									
OSN INT	HE, JE, LIG	45,2	71	OK	2,6	12,7	7,1	20,9	5,7	4,4	3.396
JE INT	HE, JE, LIG	30,5	79	OK	10,2	12,7		20,9	5,7	4,4	7.383
PLIN INT	HE, JE, LIG, ZP	47,5	58	OK	7,5	14,4		23,1	5,7	4,4	3.956
DOD JE	HE, JE, ZP	37,4	64	OK	8,3	10,2		19,34	1,0	4,3	6.997
DOD PLIN	HE, JE, ZP	55,2	49	OK	3,8	11,3		20,7	1,0	4,3	3.290

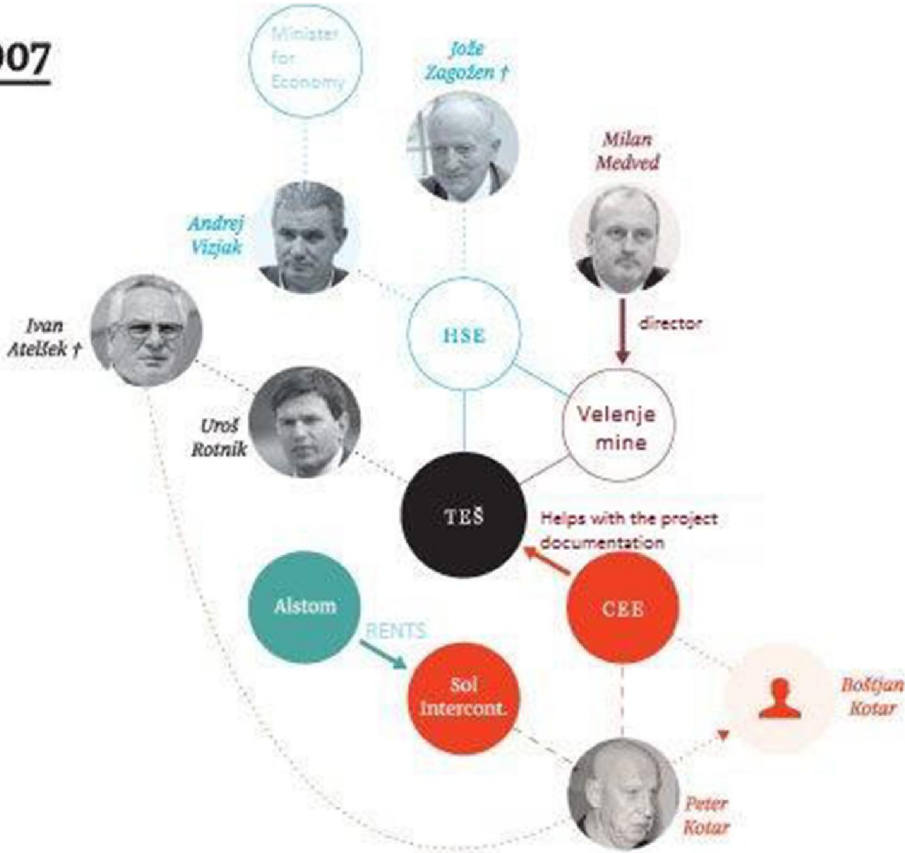
## Fertile ground for corruption

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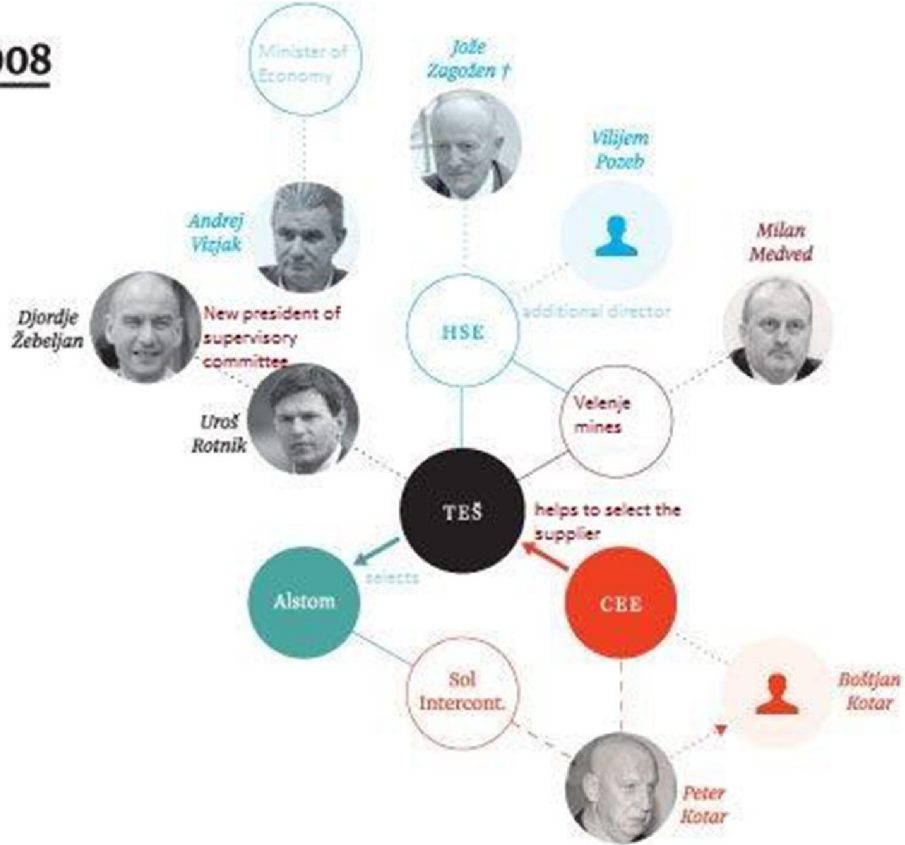
- ▶ no strategy for energy sector
- ▶ no public debate about the directions of the energy sector
- ▶ even the started process of preparing a national energy plan (2010 – 2013) was never finished
- ▶ no transparency of the process (even phases of public consultation were 'hidden')
- ▶ Šaleška valley lobby had support in almost all political parties and in several consequent governments

- ▶ HSE and TEŠ 6 lobbied the parliament to write a draft law for state guarantee
- ▶ first law did not pass, second law: the same story
- ▶ public procurement issue: public procurement procedures adjusted to TEŠ specifics (not listed on the list of subjects to public procurement procedures)
- ▶ connections between project developers and main supplier
- ▶ connections between the director of TEŠ and Šaleška valley lobby in the parliament

**2007**



**2008**



- ▶ report to anti-corruption commission
- ▶ communication with the commission
- ▶ report of the commission and media work
- ▶ cooperation with Transparency International
- ▶ report of corruption issues to EIB and EBRD
- ▶ letter to and meetings with OLAF



- ▶ frustration – believed that corruption issues will be the tipping point for the project to fail
- ▶ lack of understanding of the procedures for reporting corruption
- ▶ Focus not eligible to file complaints – the state has to do the process
- ▶ lack of feedback from institutions



**Thanks!**

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