

Re: Common  
Counter Balance

To: Werner Hoyer, President  
European Investment Bank  
98-100, boulevard Konrad Adenauer  
L-2950 Luxembourg

CC : Members of the EIB Board of Directors

27 September 2017

### **Notification letter to the EIB about MOSE project and corruption**

Dear President Hoyer,

On behalf of NGOs Re:Common (Italy) and Counter Balance (Czech Republic), please find in this notification letter information related to MOSE, a major infrastructure project in Italy which received financial support from the EIB for about EUR 1,2 billion.

In a previous letter dated September 22nd 2015, we have notified to the EIB the serious corruption scandal involving the MOSE project and the EIB client - Consorzio Venezia Nuova.

In his response dated October 12th 2015, Inspector General Jan Willem van der Kaalj ensured that *“ the EIB, in coordination with OLAF, continues to closely follow the developments of the investigation by the Italian authorities, and will take any appropriate action on the basis of the relevant articles in its Finance Contracts and its Anti-Fraud Policy, if warranted by the evidence of infringements”*.

We take this opportunity to notify that:

- the MOSE court case concluded last week, with a judgement expressed on the evening of Thursday September 14th 2017. Local and national newspapers and press agencies in Italy reported about this judgement<sup>1</sup>.
- On September 14th 2017, former Italian Infrastructure and Development Minister Altiero Matteoli has been judged guilty of **corruption** for having accepted bribes in the scale of millions from the President of Consorzio Venezia Nuova, Giovanni Mazzacurati. Matteoli was sentenced to 4 years imprisonment and confiscation of 9,575 million euros.

Consorzio Venezia Nuova was the recipient of loans worth around EUR **1,2 billion from the EIB** between 2011 and 2013. More precisely:

- Since 2011, the EIB has granted and disbursed three loans to Consorzio Venezia Nuova: EUR 480 million on April 29, 2011<sup>2</sup>; EUR 500 million on February 12, 2013<sup>3</sup> (with two disbursements of EUR 438 and 75 million<sup>4</sup>) and EUR 200 million on February 13, 2014<sup>5</sup>.

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1 <http://video.corrieredelveneto.corriere.it/processo-mose-sentenza/fe5a3e72-9973-11e7-85d6-0e8387c4a501> ;  
<http://www.ilfattoquotidiano.it/2017/09/14/mose-lex-ministro-matteoli-condannato-4-anni-per-corrusione-assolto-e-parte-prescritto-lex-sindaco-orsoni/3857031/>

The last EIB loan was disbursed after the first arrests by the fiscal police as part of the alleged corruption investigation which took place in February 2013<sup>6</sup>. These arrests got widely reported on Italian and international media so that the EIB should have been aware of them and related investigation affecting the MOSE project.

We request the following information to the European Investment Bank:

- What internal investigations were undertaken concerning the spending of EIB funds in the MOSE project and potential connection to alleged corruption under investigation at the time of the signing of the contract and disbursement of the loan? If an investigation was carried out, what were its main conclusions?

- What other internal investigations were undertaken concerning the potential mismanagement of EIB funds in this project, potentially after loan disbursement?

- What steps is the EIB considering now that evidence is in the public domain about its client having disbursed bribes in the scale of millions, as part of the MOSE corruption scheme? Is the EIB considering the withdrawal of financing? Will the EIB blacklist the company?

- What steps is the EIB considering concerning other loans and refinancing of debt for infrastructure projects in the Veneto region that emerged as closely interlinked to the MOSE scandal and the related network of corruption? We refer in particular to the loan and debt refinancing of Passante di Mestre, and the ongoing construction of A4 motorway third lane<sup>7</sup>. Has the EIB already opened an investigation related to those operations? And, if not, why?

We consider the judgement of the Venice court as a litmus test for the implementation of the EIB's Anti-Fraud and anti-Corruption policy. In this regard, we expect the bank to seriously put in practice its stated "zero tolerance towards fraud and corruption policy". Therefore, we call on the EIB to immediately suspend, as a minimum, the existing financial contracts with Consorzio Venezia Nuova, and await a prompt reply to the questions raised above.

Thank you for taking this letter into consideration,

Yours sincerely

Elena Gerebizza / Antonio Tricarico (Re: Common)

Xavier Sol (Counter Balance)

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2 <http://www.eib.org/infocentre/press/releases/all/2011/2011-057-italia-dalla-bei-480-milioni-di-euro-per-la-salvaguardia-di-venezia.htm>

3 <http://www.eib.org/infocentre/press/releases/all/2013/2013-020-italia-bei-seconda-tranche-di-500-milioni-per-il-mose-di-venezia.htm?lang=en>

4 [http://www.eib.org/attachments/general/events/briefing2014\\_statistics\\_en.pdf](http://www.eib.org/attachments/general/events/briefing2014_statistics_en.pdf)

5 [http://www.ansa.it/veneto/notizie/2014/02/14/MoseBei-200-mln-a-Cons.Venezia-Nuova\\_fbcea93-9605-11e3-9836-00505695d1bc.html](http://www.ansa.it/veneto/notizie/2014/02/14/MoseBei-200-mln-a-Cons.Venezia-Nuova_fbcea93-9605-11e3-9836-00505695d1bc.html)

6 <http://www.ilfattoquotidiano.it/2013/02/28/tangenti-arrestato-a-venezia-d-della-societa-di-costruzioni-mantovani/515540/>

7 [http://wwwb.ansa.it/nuova\\_europa/en/news/sections/news/2017/02/27/motorways-a4-3rd-lane-600mn-bei-cdp-loan-given-green-light\\_f8d5e804-06fb-4e57-85b6-9083f6144f50.html](http://wwwb.ansa.it/nuova_europa/en/news/sections/news/2017/02/27/motorways-a4-3rd-lane-600mn-bei-cdp-loan-given-green-light_f8d5e804-06fb-4e57-85b6-9083f6144f50.html) ; <http://www.eib.org/projects/loan/loan/20090448>