Subject to Article 99 (2) of the Environmental Protection Act (EPA), Article 19 (1) of the Ordinance on the terms and conditions of environmental impact assessment (the EIA Ordinance) and in conjunction with Article 31 of the Biological Diversity Act (BDA) and Article 39 (12), in conjunction with Article 39 (13) of the Ordinance on the terms and conditions of compatibility assessment of plans, programs, projects and investment proposals with the scope and purpose of conservation of protected areas (CA Ordinance), I hereby APPROVE

The implementation of the investment proposal for: Extraction of sand and gravel from alluvial deposits in the bed of the Danube River, Kama Section (from 510.5 km to 508.0 km) in the vicinity of the Pirgovo Village, Ivanovo Municipality, Ruse Region.

**Contracting Authority:** Gravel and Sand Quarries –Bulgaria EAD, Sofia

**Registered Office:** 6 Poruchik Nedelcho Bonchev Str., Iskar District, 1528 Sofia

**Short description of the investment proposal:**

Based on the conducted studies and the sand and gravel deposits in the Kama Section (from 510.5 km to 508.0 km) in the vicinity of the Pirgovo Village, Ivanovo Municipality, Gravel and Sand Quarries –Bulgaria EAD, Sofia has coordinated the section for the extraction of aggregates from the bed of the Danube River with the Executive Agency for Exploration and Maintenance of the Danube River (EAEMDR), with the initially specified length of the section from 512.0 km to 508.0 km being reduced to preserve the sand deposits over the “head” of the Kama Island, which could otherwise lead to the need of shifting the fairway from the navigable channel, currently between the Kama Island and the Romanian bank, to the channel between the island and the Bulgarian bank which will result in termination of the permission to extract in the whole section.

The scope of the investment proposal is the extraction of alluvial deposits (sand and gravel) from the bed of the Danube River. The right of use is such as provided for by the Water Act. No lands or soils outside the body of water are affected.
The Kama Section is situated on the Bulgarian branch of the Danube River (from 510.5 km to 508.0 km). The fairway and the main course of vessels pass to the north of the island through the Romanian branch of considerably deeper waters. The distance from the section to the town of Ruse down the river is about 21 km. The Kama Section used for the extraction of alluvial deposits (sand and gravel) from the bed of the Danube River is 2.5 km long and 200/300 m wide. The alluvial deposits will be stored on a wharf (a licensed and operating port for the processing of general and bulk cargo) property of the company located in the Eastern Industrial Zone of the town of Ruse. The area of the sand and gravel unloading wharf is 4,558 square meters.

The Kama Section is 30 km away from the Aleko Site; 10 km away from the two sites on the Lyulyaka Island, and 10 and 15 km away from the sites on the Batin Island for which at the moment there are effective permissions to extract alluvial deposits according to Letter V-1-344 dated 11th April 2011 of the Ruse Division of EAEMDR. The section is located in the vicinity of the village of Pirgovo, Ivanovo Municipality, close to the Stalpishte riverside area. The section is about 100 m away from the bank and about 1.5 km away from the zoned populated area. The downstream distance to the Danube River Bridge in the town of Ruse is about 21 km. The section is located in the Bulgarian part of the river and is remote enough from its fairway.

The process implementation technology for the sand and gravel extraction is directly related to the physical and chemical factors of the alluvial deposits subject to extraction. Alluvial deposits are loose unconsolidated sediments eroded from rocks pertaining to the category of heavy soils. They can be taken directly from their location using floating dredgers. Within the geological area of the Danube River Valley, including within the river bed of the prospected segments of the Kama extraction field, the vertical sections of the sediments of the late Cretaceous Period, the Pliocene and the Quaternary Period are displayed, which is the useful resource for exploitation.

The estimated dynamic reserves of alluvial deposits within the approved exploitation area are 6,534 million cubic meters. According to the estimates the extraction capacity, subject to the mandatory restrictive conditions, is 5,355 million cubic meters.

The capacity of extracted material will reach 600,000 cubic meters a year or 2,600 cubic meters a day.

As provided for by the investment proposal, the raw material will be taken in 60/52 meter blocks in the extraction field, from east to west. Each block will be marked with floating buoys anchored along the contour of the block. The raw material will be transported by four self-propelled bulk cargo barges having a useful loading capacity of 1,000 tons. To position the dredger on the place of extraction a self-propelled barge will be used which will tug the dredger to the necessary spot. This operation will be carried out two times a year: at the beginning of extraction and at the end of the extraction season when the dredger will be put under cover for the
winter. The dredger will move within the relative block by a system of a stern anchor and side anchors placed in front to the left and to the right of dredger’s axis. The dredger will move by winding one of the anchor ropes and, at the same time, letting out the other ones.

The corridor for the transportation of sand and gravel extracted from the Kama Section to the company’s wharf is the Danube River. The raw material will be unloaded from the barges on the bank by a jib-crane with a grab bucket situated on the wharf. In the approved technological plan the crane with the grab bucket unloads the ballast directly onto dump trucks. In rare cases, only in the absence of regularly provided dump trucks, the crane will unload the raw material on a pile along the length of the crane runway. The material will be loaded onto four 27-tone dump trucks. It will be covered with tarps and will be transported to an industrial site of the company equipped with a crush-wash-sieve system for the processing of the alluvial deposits extracted from the Danube River and to the concrete plant on plot number 63427.81076, section 1, as appears on the Ruse Town Plan, Eastern Industrial Zone. On the wharf owned by the company the existing buildings will be demolished and a site and a buffer area for the unloading of deposits and temporary storage of up to 17,000 tons of alluvial deposits will be built in their place. Parallel with the south enclosure an Administrative and Household Center of trailers will be built with a checkpoint, an office, a changing-room with showers and WCs, a dining area with a kitchenette, a domestic water treatment facility and a transformer station /1 x 650.

The site will be equipped with a small wastewater treatment plant of the ACO Clara 5 -10 type with a hydraulic load of 0.75 to 1.05 m3/day. The plant shall have gravity inflow and outflow.

The capacity of the extracted material will reach up to 600,000 cubic meters per year or 2,600 cubic meters per day. The estimated dynamic reserves of alluvial deposits within the approved exploitation area, subject matter of the investment proposal, are approximately 6.534 million cubic meters. The technology for extraction of alluvium from the bed of the Danube River is based on the use of a floating multi-bucket dredger of the KS 250 type. The specific extraction process is carried out scraping up the sediment material from the bottom of the river by means of scraping buckets (250 l). The alluvium extracted with the scraping buckets will be dumped onto the drying sieve of the dredger. Dry alluvium will be transferred to the self-propelled barges by a rubber conveyor belt.

Depending on water levels excavations will take place in the lower or upper layer of the extraction field. The initial plan is that in May and June, which is the spawning period of the sturgeon species and other fish species in the Danube River, excavations should take place at the lower part of a 60/52-meter block from east to west (upstream), where the upper layer has been taken out in another period. The preliminary planned work schedule for the site is 270 workdays per year, of which 235 days for extraction (9 months, 6 workdays and 1 day a week for maintenance). The final intention and work schedule must be complied with the terms, conditions and measures laid down in this Decision.
Extraction of alluvial deposits from the bed of the Danube River is related to the company’s production of aggregates and concrete mixtures.

According to the investment proposal no water supply facilities using either surface or groundwater will be built. The drinking and domestic water used by the workers on the dragger and the transportation barges will be supplied from an outside water source provided by the extraction and transportation company. The amount of water necessary during the exploitation for the planned staff of 10 people will be approximately 0.5 cubic meters per workday. The sanitary facilities for the staff will be located on the wharf in the Administrative and Office Center where the water will be supplied from the village water-supply system.

The waste generated during the operation of the site will be collected on the vessels and transported to the wharf for further treatment.

The investment proposal is planned to be implemented in the bed of the Danube River, which is a public state property. It includes a current accumulation of alluvium deposited in the riverbed.

The Kama extraction field does not fall within any protected areas within the meaning of the Protected Areas Act and does not fall within any areas protected under the Natura 2000 Network on the Bulgarian territory within the meaning of the Biological Diversity Act. The closest protected areas on the Bulgarian territory are: the Ribarnitsi Mechka protected area under code BG0002024 for conservation of wild birds, 3.4 km away, and the Batin protected area under code BG0000232 for conservation of natural habitats and wild flora and fauna, also about 3.4 km away from the extraction field. The Kama Island on the territory of the Republic of Romania is about 200-500 meters away from the selected extraction section. The Island is declared a nature reserve (as promulgated in OJ, No. 691/11th October 2007) and falls within the protected areas ROSPA 0108 VEDEA-DUNARE, as laid down in Directive 79/409/EEC on the conservation of wild birds, declared by Romanian Government Decision No. 1284/2007, and ROSCI0088 Gura Vedei – Saica Slobozia, as laid down in Directive 92/43/EEC on the conservation of natural habitats of wild flora and fauna, declared by Romanian Government Decision No. 1964/2007. As provided for by Article 31 (1) of BDA and Article 2 (1.1) of CA Ordinance, the investment proposal is subject to an assessment of its compatibility with the scope and goals of conservation of protected area. Having been assessed, as provided for by Article 39 (3) of the CA Ordinance, that the investment proposal is likely to have a significant negative impact on the natural habitats, populations and habitats of species subject to conservation in the protected areas and according to the guidelines laid down in Article 39 (5) of the said Ordinance a report on assessment of the degree of impact on the protected areas (RADI) was prepared. The expected impact of the investment proposal (IP) on the scope and goals of the protected areas are detailed and assessed in the RADI.

For the following reasons:
1. The submitted EIA report goes into the existing condition of the environmental components and factors and assesses the possible impact of the exploitation of the Kama Section. The EIA experts conclude that the extraction of aggregates from the Kama Section will not have negative effects on the environmental components if the recommendations made in the report, particularly in the section about the biological diversity in the region, are met.

2. The assessment of compatibility of the investment proposal with the scope and goals of the affected protected areas gives a chance for a decision to be taken pursuant to Article 39 (12) of the CA Ordinance, considering the following:

2.1 The experts who have prepared the RADI have concluded that the investment proposal is not likely to have a significant negative impact on the scope and goals of conservation of the BG002024 Ribarnitsi Mechka protected area designated for conservation of wild birds, as provided for by Article 6 (1.3) and (1.4) of the Biological Diversity Act (BDA), and declared to be a protected area by Order No. RD-561 given on 5th September 2008 by the Ministry of Environment and Water /MOEW/, as promulgated in the Official Gazette, No. 84/2008, ROSPA0180 Vedea Dunare protected area designated for conservation of wild birds in the Republic of Romania and the ROSCI10088 GuraVedeil-Saica-Slobozia protected area designated for conservation of natural habitats and wild flora and fauna.

2.1.1 The Kama Section planned to be used for extraction purposes do not fall within any areas protected under Natura 2000 within the meaning of the Biological Diversity Act. The closest protected areas on the Bulgarian territory are the Ribarnitsi Mechka protected area under code BG0002024 for the conservation of wild birds, 3.4 km away, and the Batin protected area under code BG0000232 for conservation of natural habitats and wild flora and fauna, also about 3.4 km away from the extraction field.

The Kama Section does not fall within any protected areas within the meaning of the Protected Areas Act.

2.1.2 The Kama Section abuts on the south side of two protected areas along the left bank of the Danube River in Romania, namely: ROSPA 0108 Vedea-Dunare protected area, and ROSCI0088 Gura Vedei – Saica - Slobozia protected area.

The Kama Section abuts also on the Kama-Dinu-Pazaritsa Nature Reserve, which is a protected area also situated on the territory of the Republic of Romania.

2.1.3 The implementation of the investment proposal will not have a significant negative impact on the structure, functions and
nation conservation goals of the ROSCI0088 Gura Vedei – Saica – Slobozia protected area designated for conservation of natural habitats and wild flora and fauna, considering the following:

- The sections intended for extraction of aggregates in the investment proposal under question are situated in the bed of the Danube River. The aggregates will be extracted underwater and will be transported by water. Therefore, it’s not likely for the natural habitats subject to conservation in the protected area to be affected by any direct or indirect impacts caused by the investment proposal elements;

- No types of natural habitats subject to conservation in the ROSCI0088 Gura Vedei – Saica – Slobozia protected area fall within the territory of the investment proposal. Therefore, the investment proposal will not lead to any reduction of the area or any significant negative impact on the natural habitats subject to conservation in the protected area located on any neighboring land.

- No plants subject to conservation in the ROSCI0088 Gura Vedei – Saica – Slobozia protected area have been found within the investment proposal territory and therefore no significant negative impact on those plants and their habitats is expected.

- The investment proposal is not supposed to lead to any loss of habitats or any significant negative impact on the populations of animal species subject to conservation in the ROSCI0088 Gura Vedei – Saica – Slobozia protected area.

2.1.4 The expected negative impact on the birds subject to conservation in the BG 002024 Ribarnitsi Mechka protected area and the ROSPA0108 Vedea Dunare protected area have been determined. The impact on the amount and density of the populations of nesting, winter and migratory bird species is found insignificant.

2.2 RADI examines and assesses the probable commutative effect which could result from the simultaneous implementation of other investment proposals of a similar nature together with this investment proposal. The analysis conclusions drawn in the report show that the implementation of the investment proposal could not lead to any cumulative effect that will have a negative impact on the scope and goals of conservation of the nearby protected areas.
2.3 In the course of the public discussions, as provided for by Article 39 (9) of the CA Ordinance, no information has been submitted that is any different from the information laid down in the report on assessment of the degree of impact of the investment proposal on the protected areas.

3. The investment proposal is admissible with a view to the achievement of the environmental goals and the measures to achieve a good condition of waters as approved by the Danube River Basin Management Plan, provided that no contamination of water bodies is allowed, for which a conclusion of the Danube River Basin Directorate has been submitted within the meaning of Article 4a of the EIA Ordinance under reference number OVOSU-8862, 8863 dated 16th November 2011.

4. As required by the Ruse Division of EAEMDR the extraction area has been reduced from 512.0 km – 508.0 km to 510.5 – 508.0 km for conservation purposes of the sand deposits over the “head” of the Kama Island.

5. The terrain covered by the investment proposal does not fall within any sanitary protected area, as laid down in Ordinance No. 3 of 16th October 2000 on the terms and conditions of research, design, approval and exploitation of sanitary protected areas near water sources and domestic water supply facilities and near mineral water sources used for healing, prevention, drinking and hygiene purposes.

The following sources of drinking and domestic water are closest to the extraction field:

- Opposite the Kama extraction field in the bed of the Danube River, 450.0 m away from the bank, the Pirgovo-Trastenik Country House Area is located. The extraction field is situated far enough from the drinking and domestic water supply facilities of the population in the area;

- The tube wells and dug wells within the Pirgovo Village borders can be marked as water sources for the needs of the population within the populated areas situated on the Bulgarian bank apposite the extraction fields. These wells will not be affected from the implementation of the investment proposal, since the extraction laid down therein will not have an impact on the qualitative and quantitative composition of aquifers.

6. The Ministry of Health has been consulted about the contents and scope of the assessment of the health and hygiene aspects of environment and the risk for the human health. By Letter under Reference Number 04-09-240 dated 18th October 2012 the Ministry of Health gave a positive evaluation of the EIA Report expressing an opinion that from a health and hygiene aspect no risk for the human health should be expected.
7. The Republic of Romania, as an affected party, has been informed of the investment proposal and it has expressed a desire to take part in the procedure. In this regard, it has been provided with the prepared EIA Report and RADI, with all attachments thereto. In the opinion delivered the Ministry of Environment and Climate Changes of the Republic of Romania lays down some requirements, which are reflected herein.

8. At the time of preparation of the EIA Report some interested parties were consulted. When the public discussion was organized the requirement of one-month access to the EIA Report and publication of an advertisement (Trud Newspaper and 24 Hours Newspaper in the 20th December 2012 issue) at least 30 days before the public discussion date was met. A public access to the EIA Report and the attachments thereto was provided. Minutes of the held public discussions, with lists of attendees enclosed thereto, were prepared. After the public discussion no objections were received from any interested parties against the implementation of the investment proposal. This is also reflected in the opinion delivered by the Contracting Authority, as provided for by Article 17 (5) of the EIA Ordinance. The public discussion results, including the proposals made, are reflected properly in compliance with the terms and measures laid down herein.

9. By Decision I-4/2013 given on 15th May 2013 the Supreme Expert Environmental Council proposes that the implementation of the investment proposal should be approved under the following conditions:

I. General Terms and Conditions:

1. The implementation of the investment proposal for the extraction of alluvial deposits in the Danube River, Kama Section, should commence after permission is given to use a body of water by virtue of Article 46 (1.4), as laid down in Chapter IV of the Water Act. The competent authority to give such permission is the Ruse Division of EAEMDR.

2. The overall detailed design for the extraction and processing of alluvial deposits in the Kama Section must be developed in accordance with the terms and measures laid down in the EIA Decision and the measures laid down in the EIA Report.

3. The overall detailed design must be submitted for approval to the Ruse Division of EAEMDR and the Pleven Division of the Danube River Basin Directorate.

II. Design Phase:

4. The extraction schedule must be complied with the spawning period (from 15th May to the end of June) of the sturgeon species. No extraction work should be done in this period.
5. All necessary marks and signs must be put on the dangerous places of work at the time of reconstruction and exploitation, as provided for by Ordinance No. 3 for the safety at work and fire safety sings and signals.

6. The route which the dump trucks will use from the wharf through the Ruse Industrial Zone must be determined.

**III. Prior to exploitation:**

7. For the water supply and wastewater from the Administrative and Household Center (AHC) on the unloading wharf a contract must be signed with a water supply and sewerage operator.

8. Before commencement of construction and extraction the workers and employees of the company appointed to do such construction and extraction work must be instructed about the goals, scope of conservation and prohibitions in the ROSPA0108 Vedea Dunare protected area, ROSCI0088 Gura Vedei-Saica-Slobozia protected area, and BGSPA0002024 Ribarnitsi Mechka protected area.

9. Construction and household waste generated at the time of construction and exploitation must be collected separately and treated as provided for by the Waste Management Act.

10. A Damage and Accident Prevention and Removal Plan for the activities related to the exploitation of the Kama Section must be submitted to the Ruse Division of the Regional Environment and Water Inspectorate /REWI/, as approved by the relevant local division of the Fire Safety and Protection of Population Directorate-General.

11. A Monitoring Plan must be prepared, which must include monitoring of:
   - dust emissions;
   - surface water;
   - noise levels;

11.1. The plan must be coordinated with the Ruse Division of REWI and, with regard to surface water, by the Danube River Basin Directorate.

11.2. The plan so coordinated must be submitted to the Executive Environmental Agency for approval.

12. Prior to any preparation and extraction and prior to the commencement of exploitation, the operator must prepare an assessment of possible cases of direct threat of environmental damages and environmental damages already caused in the form provided for by Annex I of Ordinance No. 1 of 2008 on the type of prevention and recovery measures in the cases provided for by the Responsibility for Prevention and Removal of Environmental Damages and Minimum Costs For Their Implementation Act (as promulgated in the State
Gazette, No. 96, 07th November 2008) and submit such assessment to the Ruse Division of REWI.

13. When the extraction permission is given, as provided for by the Water Act, the sand and gravel extraction phases must be devised in such a way as to enable the natural recovery of the Danube River deposits, but not more than 600,000 cubic meters a year.

**IV. During operation of the extraction field and when it is put out of operation:**

14. The extraction and transportation machines and facilities must be always in a good working condition in order to prevent any accidental contamination and deterioration of the chemical condition of the Danube River.

15. Alluvial deposits must be extracted only within the extraction section permitted.

16. The extraction areas between 510.5 km to 508.0 km and the extraction facilities must be supplied with the necessary signalization.

17. The self-propelled barges must sail only on the approved navigable channel of the Danube River.

18. At the time of construction and operation of the unloading wharf all necessary measures must be taken to minimize the dust emitted by the loading, unloading, storing and transportation of solid powder materials, as provided for by Article 70 of Ordinance No. 1 on the norms of admissible emissions of hazardous substances (contaminants) released into the air by objects and activities of stationery source emissions. (State Gazette, No. 64, 2005).

19. At the time of operation of the unloading wharf all necessary actions must be taken to include the measures laid down in the Danube River Basin Management Plan of the 7.1.5.2 program for the regulation of emissions from point sources of pollution and decrease of the significant effect of hydromorphological changes on rivers.

20. The waste generated at the extraction field must be delivered, on the basis of signed written contracts, to such persons who have such document as provided for by the Waste Management Act or an integrated operating permit. Copies of such contracts must be submitted to the Ruse Division of REWI within one month from the date of execution thereof.

21. No extraction is permitted close to the sides of the Kama Island in order to preserve the integrity of the coast and not to disturb its fauna.

22. At the time of extraction no island or riverside areas which are permanently situated and covered with dense vegetation of various stages of growth should be affected.
23. For the transportation of workers and extracted materials one and the same route must be used, which must be approved by the competent authority.

24. Extraction must be done during the day without exceeding the established noise limits so as to have a minimum impact on the heron and cormorant species: the Pygmy Cormorant /Phalacrocorax pygmeus/, the Great Cormorant /Phalacrocorax carbo/, night heron /Nycticorax nycticorax/, spoonbill /Platalea leucorodia/, etc.

**V. Appendix: Implementation Plan for the measures laid down in Article 96 (1.6) of EPA**

<table>
<thead>
<tr>
<th>Item</th>
<th>Measures</th>
<th>Implementation Period</th>
<th>Implementation Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Constant control and prevention of overloading the motor vehicles which will be used for the transport of the extracted raw material, and control of the use of tarp.</td>
<td>Exploitation Phase</td>
<td>Minimization of dust emissions and contamination of transportation routes.</td>
</tr>
<tr>
<td>2.</td>
<td>No water flow redirection facilities or facilities that may affect the water regime of wetlands should be planned or built.</td>
<td>Design and Exploitation Phase</td>
<td>Achievement of good environmental potential of the body of water</td>
</tr>
<tr>
<td>3.</td>
<td>Oil spill recovery vessels must be at hand in the event of any damages of extraction or transportation machines and facilities.</td>
<td>Design and Exploitation Phase</td>
<td>Liquidation of a new burden on the chemical condition of the body of water.</td>
</tr>
<tr>
<td>4.</td>
<td>A local wastewater treatment plant must be installed on the wharf.</td>
<td>Exploitation Phase</td>
<td>Prevention of a new burden on the chemical condition of the body of water.</td>
</tr>
<tr>
<td>5.</td>
<td>The staff must be prohibited to carry or use aboard the vessels and machines used for the extraction of aggregates any hunting weapons.</td>
<td>Exploitation Phase</td>
<td>Prevention of the negative impact on animals and aviary fauna.</td>
</tr>
<tr>
<td>6.</td>
<td>The machines and facilities must be in compliance with the Ordinance on the essential requirements and assessment of compliance of machines and equipment, operating in the outdoors as regards to the noise emitted by them in the environment.</td>
<td>Design and Exploitation Phase</td>
<td>Minimization of noise of various machines emitted to the environment.</td>
</tr>
</tbody>
</table>
7. In the event of any historical or archaeological finds which have the characteristics of cultural objects work must be suspended immediately and the closest Regional History Museum or the Ministry of Culture must be informed.

| Exploitation Phase | Preservation of cultural heritage. |

| 8. The wastewater collection and treatment conditions must be observed as laid down in the Rules of Sailing in the Bulgarian Section of the Danube River. |
| Exploitation Phase | Achievement of good chemical condition of the body of water. |

This Decision refers only to the investment proposal subject matter of the EIA made by virtue of the Environmental Protection Act. Should this investment proposal is extended or amended the Contracting Authority must duly inform the Ruse Division of REWI at the earliest possible stage.

As provided for by Article 99 (8) of the Environmental Protection Act, the EIA Decision becomes invalid if within five (5) years from the date of its issuance the implementation of the investment proposal is not started.

If the Contracting Authority is changed the new Contracting Authority, as provided for by Article 99 (7) of the Environmental Protection Act, must inform the Ministry of Environment and Water and the Ruse Division of REWI.

In the event of any failure to fulfill the terms and measures laid down in the EIA Decision the persons responsible for such failure shall be held liable under Article 166 (2) of the Environmental Protection Act.

The parties concerned may appeal this Decision as provided for by the Administrative and Procedure Code within 14 days from its public announcement.

Date: 22\textsuperscript{nd} May 2013

MINISTER: [illegible signature]

YULIAN POPOV

[Ministry of Environment and Water seal]