

ANNEX I

In full respect to the opinion of the citizens, we studied very attentively their complaint. Our Environmental Unit at the KESH corporation have verified same facts in the Vlora area and worked with the environmental experts of the Ministry of Environment and of the University of Tirana (Faculty of Biology). We have redacted these comments:

As regard to the common “interest of the group”, we notice that:

- The construction of the Thermo Power Plant (TPP) which be build in Vlora, will not at all affect the touristic potentialities of the area of Vlora Bay. Unfortunately, al least one of the citizens of the “affected group” has abused with the natural and environmental resources of the area having build an abusive restaurant (without documentation and permissions) right in the belt of sand (in the beach), around 1,5 km North of the site of the building of the TPP.
- The study of the EIA does strongly confirm that the TPP will not have any impact in the fishery sector in the Vlora area. As about the area near the TPP site, the local experts of the Regional Agency for the Environment of Vlora do confirm that this area (called the area of Triporti, where the TPP will be build) is not a fishing area. Docks of anchoring for the fishing ships are there, but the fishing activity is applied not near the site but at a distance around 10 km from the coast, where no effect does occur. Also, the local amatory fishermen do exercise their hobby in the lagoon of Narta and far from the site, because of the presence of some petroleum plants in the beach. The area is a site where the transportation of the oil is exercised through a single mooring point built around 30 years before by the state company ARMO. So, beside to the northern boundary of the site of the TPP, all this infrastructure is situated (see pictures).



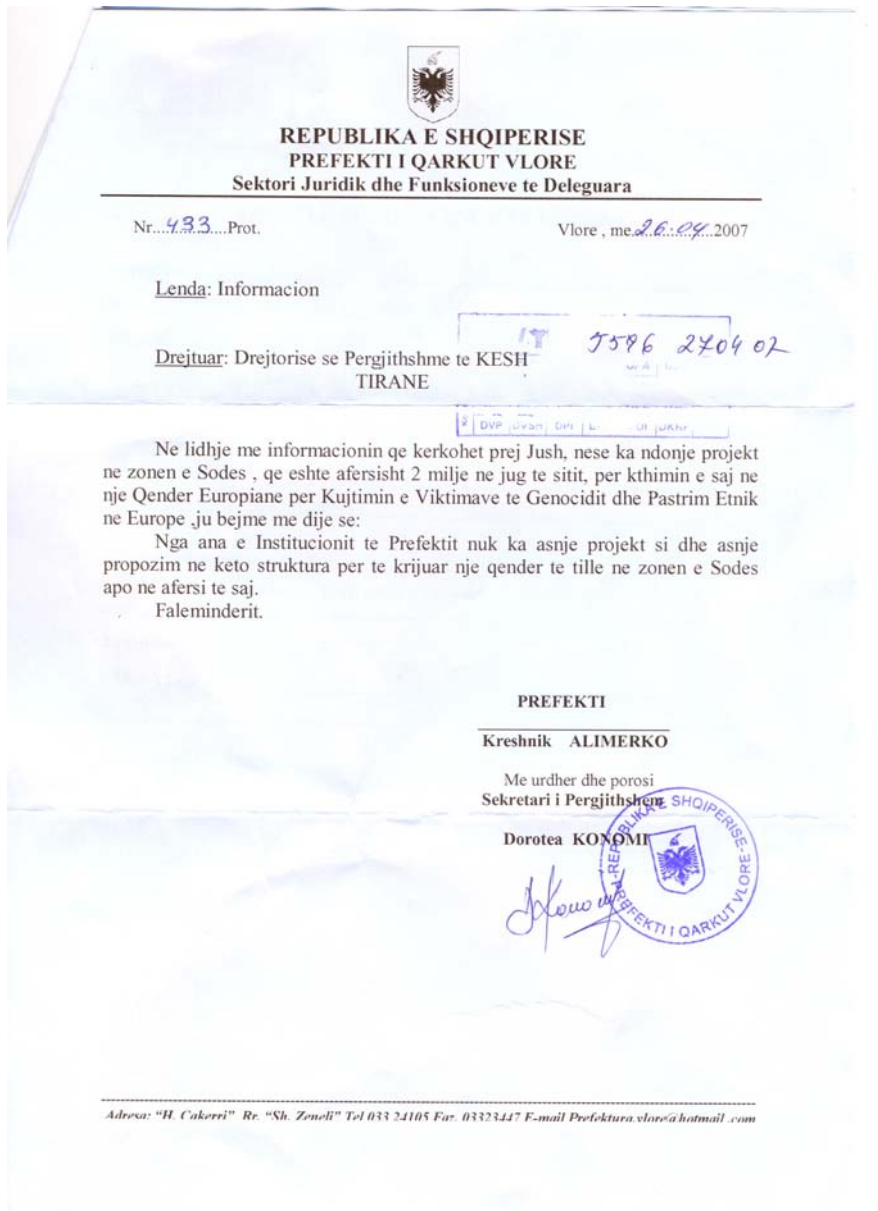
The oil transport infrastructure in the off-shore area.



The single mooring point in the on-shore area.

- As regard to the citizens included in the ‘affected group’ we have to underline that no one of them has been involved in the public discussions organized by the company who made the EIA study for the TPP of Vlora, even many public notifications have been published for several days. We notice that no one of the members of the “affected group” does have direct relation to the decision of the TPP construction. For example, the complainant Mr.Muhamet Lazaj, is the owner of a small restaurant located 2 km away from the TPP site construction. The club is built some years ago right in the sand area, so in an eco-system where building is prohibited, and consequently his “property” is without permission by the respective authorities of the local government of the territory. So, we point out that the interests of the abovementioned complainant are in some way not legal.
- We judge that the language used by the complainants is, unfortunately, in some cases emotional and not scientifically correct. So the term “...de facto protected area ...” (page 2, point 3) doesn’t make sense for us, and nor the environmental experts of the Ministry of Environment, Forestry and of Management of the Waters. There is only one Protected Area and this is the Narta Lagoon. The Environmental Impact Assessment has fully taken into consideration all the topics about this area. The TPP construction area is enough distant from the Narta Lagoon area that it doesn’t have any impact on it. The Narta Lagoon has been the focus of recent biodiversity studies conducted by the UNDP and the Global Environmental Facility (GEF). Representatives of the NGO-s involved in this MedWestCoast project have attended the meetings of public information during the EIA discussion process and there hasn’t been any negative comment from the UNDP or GEF authorities about the EIA and the project itself of building a TPP in the area.

- Regarding the pretension that 2 miles in the south of the TPP will be constructed the European Center in Memory of the Victims of the Ethnic Genocide and Clearance in Europe, the vice-chairman of the Vlora City Hall, Mr. Bashkim Dervishi and the clerks of the City Planning of Vlora District verbally have confirmed that neither in the City Hall nor in the District there does not exist any document to prove the plans for the construction of such center. Also there is not any request or argumentation by any group or association on this purpose. This confirmation is verified by the letter no.433 prot. date 26.04.2007 (here attached) of the Prefecture of the Vlora District that is the responsible authority of territory management. So based on the above, the claim of the “affected group” is an abuse.

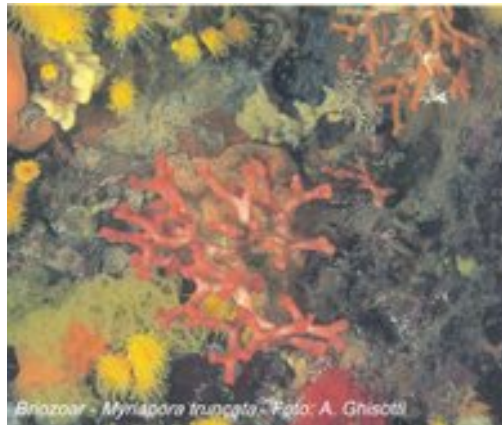


- In the EIA study of the Vlora TPP is evidenced that there would not be any impact on the aquatic fauna and flora in nearness of the site or in the Vlora Bay. KESH does not have any reason to consider not correct such a conclusion issued by a prestigious studio as HARZA, which has closely collaborated with the local experts and representatives of the projects implemented in the area.

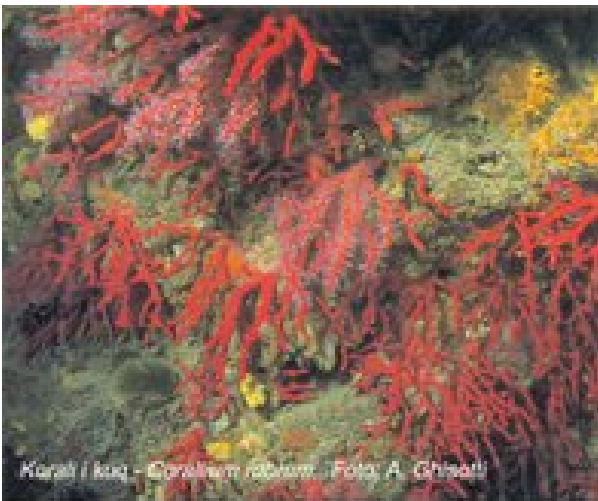
- Amateur information underline that there are coral colonies in Vlora Bay , but the scientific authorities of the Universities of Albania underline that there is no scientific bibliography to refer to, and which may show that coral do exist in that area. There is only a partial study made in 2005 over the inventory of the “*possidonia meadows*” (sea-grass). Meanwhile, there are only amateur opinions over the existence of the red Coral at the Vlora Bay at the rocky area of the coast (far from the sandy area where the TPP is supposed to be build). This gives us reason to believe that only amateur information are at the base of what the claimant claims for true. Information like this have to be analyzed carefully, because in such circumstances, as the scientists underline, it is very easy for amateur people to mix what are the real Chorals with some closely–like corals looking such as Gorgonia or Briozoars which are definitely not Corals, though they look so much like corals.(see pictures, Mojetta, A.Ghisotti, A 2000, Flora e fauna del Mediterraneo. Ed. Mondadori, Milano: 45,13)



Gorgonia

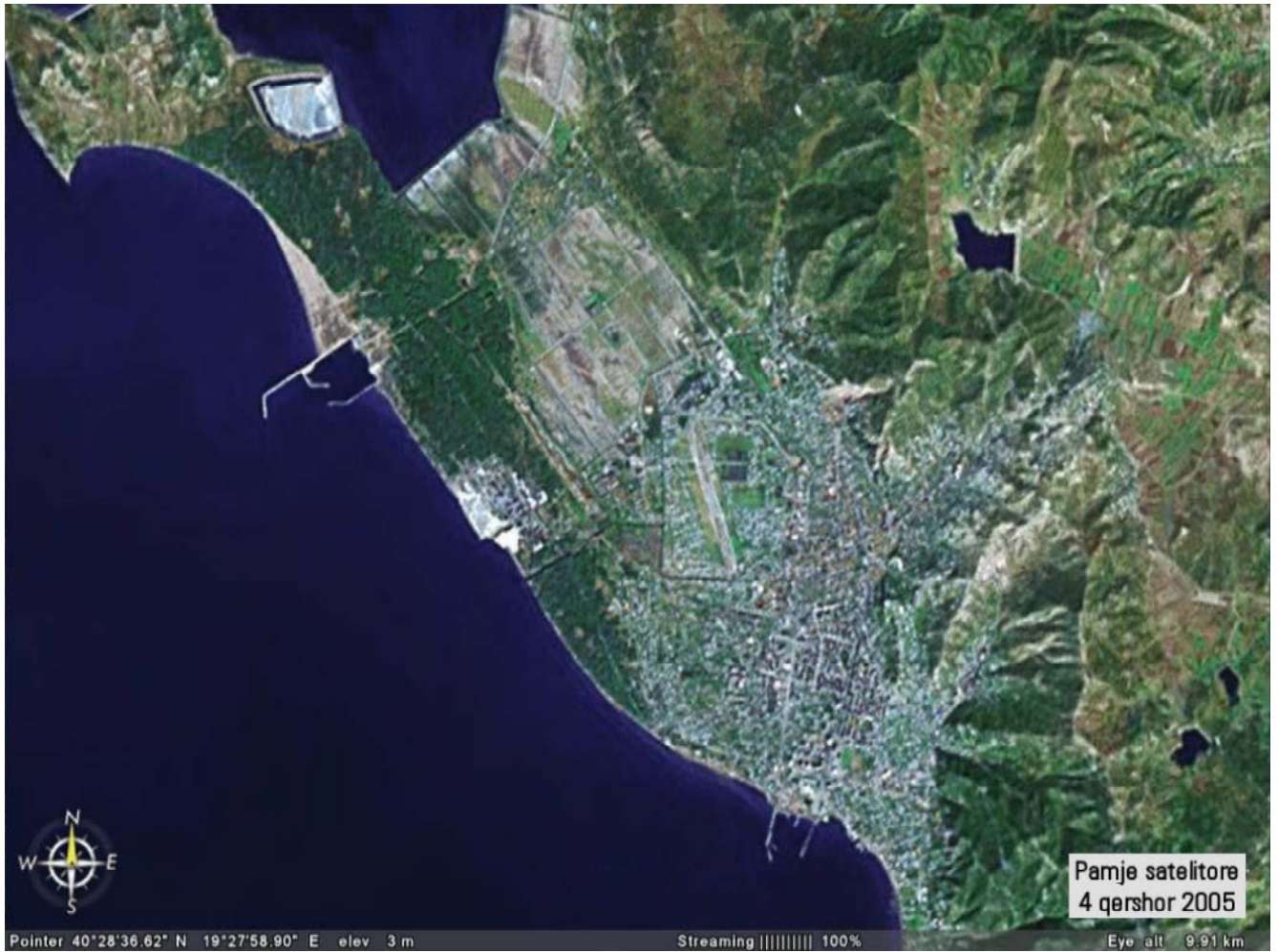


Briozoar



the Red Coral

- Regarding the claim that the TPP is being build on a historical beach, we have to shed the light upon the fact that the site where TPP is going to be build, from the geological point of view is simply an “anthropic beach”, so it is a beach created during the last 25 years from the lodgment of the particulate marine sediments accumulation that has followed the building of a port (the actual port of the fishing ships) at this coast (see pictures).

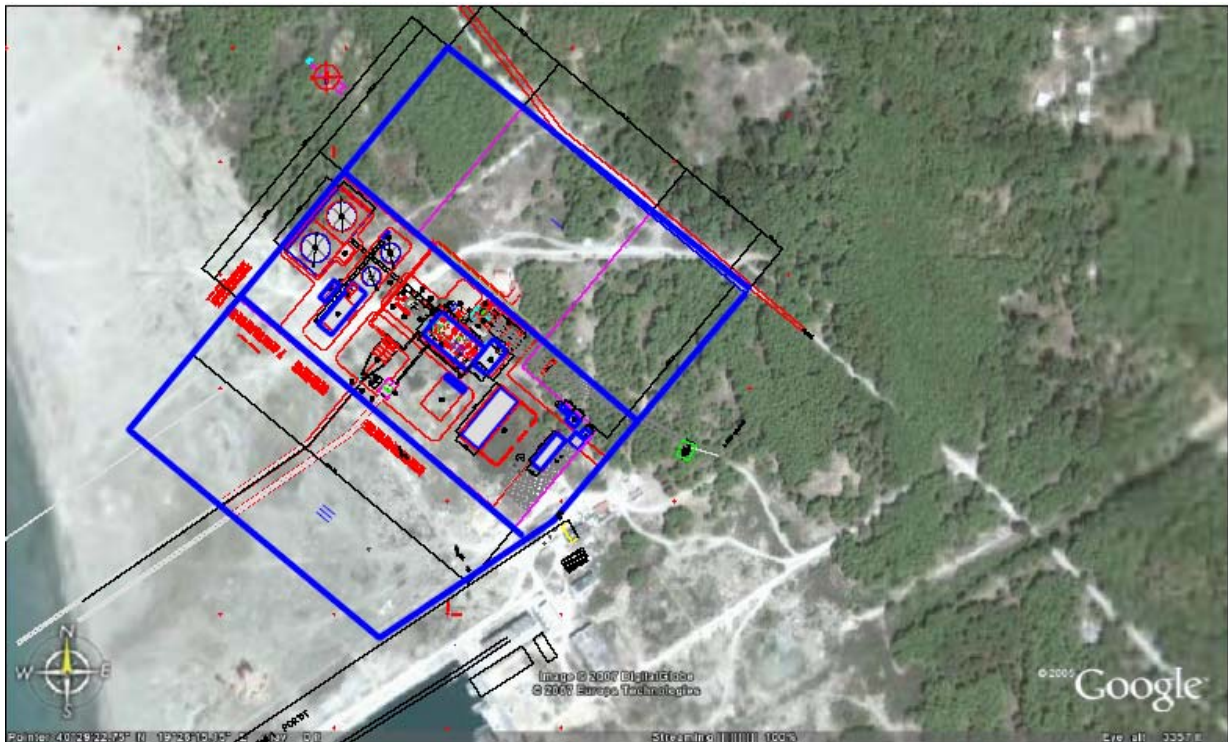


A satellite photo where the area of the anthropical beach is very well



The anthropic beach area and the docks where the fishing ships are anchored

- Even though the beach is not historical one but totally anthropic, in order to respect the sea coast as an important ecosystem, the construction area zone of the TPP has been shifted to a certain distance from the sea coast in order to not affect any metre square of the beach itself.



The site of building the TPP has been shifted at the middle right of the blue area.

- Regarding the claims that the Triport Beach is the landing site of the Sephardic Jews when in the 1492 they escaped from the Inquisition in Western Europe, since there isn't any confirmed scientific source about it, it remains a hypothesis. In the matter we consider reliable the official opinion expressed by the Institute of Cultural Monuments, the only scientific institution in Albania that has the constitutional duty to take care over the natural and cultural heritage of Albania. This Institution has expressed its opinion that there are insufficient and unreliable information regarding the above assumption.