

Behind the curtains of ...

FINANCIAL MINES

Murky banking interests in the Bulgarian coal industry drain public funds, destroy thousands of human lives and heavily contaminate the environment





Author: Greenpeace– Bulgaria

Pictures: Greenpeace– Bulgaria

- A group of around 20 Bulgarian companies active in coal mining, electricity and heat production **form a closely integrated secretive business structure**. The companies are owned by foreign firms on paper, but are evidently linked to one or more domestic banks.

- This “Coal Empire” is highly indebted, with an accumulated loss of close to 200 million euro as well as delayed payments of taxes, salaries and social contributions nearing 1 13 million euro. However, the authorities are turning a blind eye to the issue.

- **Some of the biggest air polluters in Europe enjoy huge price subsidies for their “efficient energy”**. In Bulgaria, solar plants and wind farms receive 15 to 30 percent less for electricity production than these coal burning facilities.

- The coal miners have to accept monthly wages of 300, rarely 400 euro. The miners are often left without pay for months on end and their desperate protests are blatantly suppressed.

- In the last ten years 23 people have died and 17 have been left disabled while working under the unhealthy and dangerous conditions of the Bulgarian coal extraction industry.

- The origins of this “Coal Empire” lie in a controversial privatization process. Bulgarian coal assets had been **laundered in offshore zones** (Seychelles, British Virgin Islands, etc.) and then “resold” to shell companies based in the UK and Cyprus.

- This murky network evokes fears that its huge pending losses would be socialized in the future.

Behind the curtains of "Hristo Kovachki"

The management of *Vagledobiv Bobov Dol*, a coal mine with an annual production of around 1 million tons of brown coal, summoned eighty-four of its employees to appear before court at the end of November 2017. Charges of illegal striking were brought against the workers for their refusal to enter the underground courses in May. The miners' peaceful protest had been provoked by another delay of over two months in their meager salaries.

The miners shared with journalists: "We protested because we were two months behind in our money. We were forced to claim our rights because we could not stand this anymore – we have been reduced to penury. The stores did not allow us to buy on tick anymore." At that particular mine, delays in salary payments and wildcat strikes are the norm rather than the exception. But the miners, focused on receiving their monthly salaries neglect the core problems of their employer.

The mines of Bobov Dol, 60 kilometers southwest from Sofia, offer extremely dangerous labor conditions. On September 19th, 2017, a miner died after coal debris collapsed upon his head. On December 22nd, 2016, a worker was crushed to death by an unloading machine. In the last ten years there have been five registered fatalities as well as a number of other labor injuries at the mines of Bobov Dol.



Coal is part of the
everyday life in the
town on Bobov dol.
Here a truck
delivers bags of
coal used for
domestic heating.

The shares of this former state mine were initially transferred to a company registered in the British Virgin Islands, and are now held by *Karlington Ltd.* – a company established in Wakefield, UK in 2015. According to Companies House, the director of the company is a 70-years old Brit-

on who has appointments in a dozen of enterprises of unspecified business nature. There remains little doubt that *Karlington* is a shell company with a fictitious director.

At the end of 2016, the Bobov Dol coal mine had already postponed over 22 million euro in tax liabilities and over 25 million euro in social security contributions, besides pending business payments worth of 40 million euros. At the same time the company declared that it had granted interest bearing loans amounting to 46 million euro to unknown companies. Even more striking is the way that this mine was privatizedⁱ. In 2007, the Bulgarian Ministry of Energy ceded the mine to a local businessman for 1 euro. Several months later, the businessman resold the mine for 35 million euro to a company with banking accounts in the crony *Corporate Commercial Bank (CCB)*, a bank that failed spectacularly in 2014.

The case of *Bobov Dol* is not uncommon in Bulgaria. Similar patterns of ownership and management are being applied to at least 20 other Bulgarian business entities connected to the country's coal-based energy production. Commonalities among the companies include:

- Horrible labor conditions and miserable wages.
- Huge liabilities towards state, social security system and business partners.
- Massive environmental pollution.
- Systematical bullying and humiliation of the workers.
- Controversial privatization during the period of 2001-2008.
- Blurred ownership: assets have been laundered through offshore zones and thereafter "resold" to newly established companies based in the UK or Cyprus.
- Company creditors are exclusively Bulgarian banks: primarily, the *First Investment Bank (FIB)*, followed by Investbank and the already mentioned *Corporate Commercial Bank*.

These twenty coal mines and energy producers are closely linked through a complex network: the mines deliver the coal via their own rail-freight company to the boilers of their own Thermal Power Plants (TPP) and district heating systems. At least as many companies hover around: the output is controlled by their own electricity wholesaler; connected firms carry out the repairs and deliver fuels, materials, and even food to the corporate stores. The integration is not only related to the production process, but incorporates complex schemes for mutual "massaging" of financial accounts, including the use of employee pension funds. On paper, these companies remain independent and unrelated to each other.

Bulgarian authorities are ignoring the unacceptable labor conditions, extreme levels of pollution, and postponement of taxes and contributions worth of over 100 million euros. But it is not as if the authorities are indifferent to the secretive coal network – they tacitly support it. Below are examples of how **public entities provide revenue sources to this private business "empire"** or deliberately obscure outstanding issues.

In the Bulgarian public domain these companies are commonly associated with the businessperson Hristo Kovachki. He was the main player during the companies' privatization, when he declared his ambitions to establish an energy conglomerate in a number of public interviews. At the end of 2008, the state prosecution launched an ostensible tax inquiry of some of his businesses. As a result, Kovachki was charged with large-scale VAT evasionⁱⁱ, and his accounts were temporarily frozen. Thanks to flaws of the prosecution, Kovachki was subsequently vindicated and shortly thereafter his energy assets were transferred offshore.

Several years later, in 2014, due to a new legislation which limited the role of offshore entities in the Bulgarian energy sector, these companies were re-transferred to shell firms based in the UK and Cyprus. Kovachki, on his part, declared that he was stepping down from this business. Nevertheless, he became the shadow leader of a political party that managed to enter the Bulgarian Parliament (2014-2017) and to this day retains positions in the municipalities where the mines and the TPPs are situated.

This report claims that Hristo Kovachki's ownership of this "coal empire" is most likely a double bluff. By denying his obvious involvement, Kovachki focuses the public attention on himself. In this way the real roots of this group avoid closer scrutiny. In a certain sense, the claims of Kovachki are true – he is not the owner of this business. He is rather its representative and a "lightning rod".

Such sophisticated business structure comprised of coal mines, district heating systems and power plants would be impossible without the sponsorship of key figures from state institutions, all too well interconnected with the banking sector. "Kovachki" is merely the tip of an iceberg, below the surface of which remain the hidden relationships of energy industry, financial capital, and state power – an invariable satellite of the turbulent democratic process in Bulgaria.

Our financial analysis revealed that this "empire" now undergoes a deep decline, with piled-up liabilities amounting to 575 million euro as well as highly depreciated and obsolete production facilities. Liquidation of some of its assets is on the table, as is already the case with some of the coal mines, including the underground parts of the Bobov Dol mine. Issues such as mass dismissals of employees leading to unemployment of entire municipalities as well as doubtful rehabilitation of old mines would certainly emerge. The vested interests during the creation of this business structure imply that public interests may be disregarded once again when dealing with the business structure's imminent demiseⁱⁱⁱ.



The town on Bobov dol – once in the heart of coal mining in Southwestern Bulgaria.

The Magic Privatization: the emergence of an empire

"The source of Kovachki's wealth remains a mystery", states a leaked confidential cable of the US Embassy in Bulgaria dating from June 2009^{iv}. Another report^v presented in the same year on a conference at University of California – Los Angeles (UCLA) explores the connectedness of Bulgarian oligarchs with the former State Security services. Of the 23 investigated tycoons, only Hristo Kovachki had no "documented links".

There are a number of hypotheses about the roots of Kovachki's "empire". They range from the inheritance from Konstantin Dimitrov – Samokovetsa, a criminal and a fellow townsman of Kovachki who was assassinated in 2003, to the Russian and Serbian mafias, or the circles of companies ruled by DPS (the party of ethnical Turks in Bulgaria) and its notorious leader Ahmed Dogan. The versions diverge, although all of them have in common the narrative of the "talented bad boy". Kovachki holds a PhD in Physics from an advanced research institute in St. Petersburg and initially authored patents, but later commenced exporting canned food to Russia. Although he had received some unspecified help, it was his ambition and engineering knowledge that propelled his business to grow into an energy empire. At least this is the common version.

But if one was to dig deeper into the privatization process of which Hristo Kovachki was an ultimate winner, one would uncover facts that lead to a different conclusion.

1) The Bulgarian state parted with its assets at a very low price. We have investigated 16 privatization deals dating from 2001 to 2008 (the financial analysis on the following pages includes 19 firms, but three of them did not enter the structure through privatization). The **state collected 183 million euro in cash from these companies**. Yet only the long-term assets of the privatized companies, such as property and machinery, were worth 320 million euro as of 2007.

2) Privatization auctions had been held in a highly controversial way. In one case, the place of the auction was altered due to a fake bomb alert and a Kovachki's company won over the other distressed rival bidders. In other instances, the Privatization Agency (PA) imposed criteria which excluded strategic foreign investors. In cases when disputed assets had not been directly granted to the firms of Kovachki, auction procedures were then appealed before upper court and the assets acquired eventually.

3) Of the 19 companies that we investigated, there are **14 documented cases of financial relations with First Investment Bank**. This bank was (and most often, still is) either a creditor of the company, or a creditor of its owner, or company's shares are held there as a collateral. In the other five cases there are ties with the failed CCB or with *Investbank*.



**It's time to end the
age of coal**

In short, Kovachki acquired these companies by receiving huge institutional and banking support. Such support would have not been given to an independent player – a newcomer in the energy sector with no connections with the corridors of power. The conclusion is that **Kovachki is merely a representative of hidden interests close to the state institutions and possesses strong financial muscles.**

Only one foreign bidder had been allowed to win this round of auctions, and the price it had to pay speaks for itself. In 2007, *Holding Slovenske Elektrarne* agreed to pay over 85 million euros for *Toplofikacija Ruse* – a TPP and district heating of the city of Ruse situated on the Danube River. The price corresponds to 47 percent of the total revenue received from privatizing the companies from this circle, while long-term assets are equal to only 12 percent of the total. In other words, the price for the foreign bidder had been set at least four times higher than the price set for the domestic players. (In the aftermath, *Toplofikacija Ruse* was swiftly transferred to the Russian conglomerate *Mechel*, and was acquired at a much lower price by Kovachki several years later).

Atomenergoremont, a firm responsible for the maintenance and repairs of the “Kozloduy” Nuclear Power Plant presents another indicative example. Privatized in 2003, *Atomenergoremont* was among the first energy acquisitions of Kovachki. Only a month and a half had passed between publishing the bidding documents and the choice of a winner – it is hard to explain why such a significant company had been sold so quickly. The deal was financed by *First Investment Bank*. The inexperienced in the atomic sector buyer received 70 percent of the capital of *Atomenergoremont* for less than 8 million euro. The remaining 30 percent was silently transferred for just 13 800 euro in the following year.

In only one year – 2016, the revenue of this nuclear maintenance and repair company approached 25 million euro, including 15 million euro obtained through public procurements from the only Bulgarian nuclear power plant^{vi}. As with the other companies from this network, *Atomenergoremont* had been “sold” to a firm registered in the Seychelles and thereafter “returned” to Europe. To clarify, *Atomenergoremont* was not included in the financial analysis below since the focus here is on coal-based electricity production.

The emergence of this shadowy business network may become more comprehensible upon familiarizing oneself with the network’s role and place in the Bulgarian energy system. The companies from this circle form the so-called “second energy echelon”, the activities of which are

based predominantly on brown coal deposits. The scale of each of these companies is much smaller than that of the nuclear power plant in Kozloduy or the enormous lignite burning facilities of the “Maritsa Iztok” coal basin. Yet taken together the companies associated with “Kovachki” constitute a substantial business entity with average annual revenues of 360 million euro for the past ten years.

After 1997 privatizing had become imperative for the Bulgarian energy industry. The most important facilities including the power utilities were bought out by foreign investors. Other big assets remained with the state – this is the case with the nuclear power plant and the largest hydro-power plants. The private domestic capital received no access to the national large-scale energy objects and tried to compensate with acquiring all of the smaller energy producers.

Kovachki and the bank that supported him had to compete in order to get a hand on this “second echelon”. At least three other Bulgarian tycoons interested in the energy sector tried to obtain these assets. They bade and in some cases won the auctions. But the camp of Kovachki had the proper strategy – to acquire the key coal mines “fueling” the electricity and heat production at any price. In this way all competitors were sidelined.

When this became evident the other players stopped bidding the price and the targeted assets were transferred to Kovachki’s firms for much less money. In 2008, by privatizing the TPP in Bobov Dol, the mission was completed. The price paid for this big power plant stood slightly above 50 million euro which is 50 percent less than its revenues for just one year.

A successfully losing enterprise

In preparing this report we analyzed the annual financial reports of 19 companies including 8 mines, 8 district heating systems and 3 TPPs for the ten-year span between 2007 and 2016. We looked at key financial results such as revenues, operative and accumulated loss, long-term and short-term liabilities, financial inflows and outflows, and many other parameters. We also examined the internal business information whenever available.

The mines that were analyzed are the following: *Chukurovo*, *Beli Breg*, *Stanantsi*, *Cherno More – Burgas*, *Mini Otkrit Vagledobiv – Pernik*, *Balkan 2000*, *Vagledobiv Bobov Dol*, and *Fundamental*.

This network also includes the district heating systems of Burgas, Pernik, Pleven, Ruse, Veliko Tarnovo, Gabrovo, Vratsa, and Sliven. The TPPs are *Maritsa 3*, *TPP Bobov Dol*, and *Brikel*. The latter combines a briquette factory, a small district heating operation, a TPP, and a lignite coal beneficiation factory.

The scope of the business structure surpasses by far these 19 companies. Only the core companies are linked directly to coal extraction, and electricity and heat production. A number of other companies offer logistics and supply and help with “optimizing” the financial results. Furthermore, dozens of connected companies are operational in sectors outside the energy industry.

Still, the nineteen companies analyzed are the “heart” of this “empire” and the dynamics of their financial results demonstrates their business strategy and outlook.

For the period of 2007 – 2016, the companies in question had declared combined net revenues of 3.7 billion euro. According to the financial accounts, these are losing businesses – as of 2016, the group had already piled up **an accounting loss of 184 million euro**.



Graphic 1: Financial losses of 19 companies (2007 – 2016), in thousands BGN

In addition, there are:

- **Outstanding tax liabilities worth of more than 58 million euro.** This fact goes hand in hand with “tax neutrality”: the group is predominantly working at a loss, and since the Bulgarian companies are eligible to deducting losses from future profits, the total tax bill turns out to be a negative sum. In other words, corporate taxes constitute revenues and not expenses for this structure – taken as a whole, 5 million euro for a period of ten years.



Graphic 2: Paid taxes and outstanding tax liabilities, in thousands BGN

- **Outstanding liabilities towards employees and the social security system amounting to 55 million euro.**
- As of the end of 2016, total liabilities amounted to 573.8 million euro. **Thus, in the last ten years the liabilities of this group increased by over 40 percent.**

- During the examined period, the long-term assets of this group depreciated by 28 percent. This speaks of worn out production facilities and systematically neglected investments. Most striking is the situation with the **long-term assets of the coal mines – they dropped by almost 80 percent** to merely 11 million euro. The installation of Sulphur and nitrogen filters increased the asset value of the TPPs, but for the most part the power plants remain obsolete.

- Taken as a whole, the assets of this group incase – only due to rising accounts receivable. **The outstanding accounts receivable stay at 275 million euro as of 2016.** For such a closely integrated and secretive business structure it is doubtful whether its current assets correspond to real business operations. Some of the companies’ auditors raise this question in their accompanying reports – a rarity for the loose Bulgarian accountancy regime.



Graphic 3: Accounts receivable and long-term assets, in thousands BGN

- The structure uses external services providers, with 430 million euro combined costs for ten years. This is equal to three quarters of all employment costs for the same period. On the other hand, the **financial expenses** (interest pay offs, rolling loans, financial leasing, etc.) **surpass 500 million euro in a ten-year period.** That is to say, this business structure drains its own companies by transferring operations and financial flows away.

- Since these companies are supposedly “losing money” and “drowning in debt”, the employees have no ground in negotiating better remuneration or improved labor conditions. Institutions spare their efforts to collect due taxes or social contributions in order not to fail the company and thus provoke mass unemployment. Environmental protection is also compromised.



The town of Bobov
dol – scarred for life
by coal

By consolidating the ten-year results of these 19 companies, we came to the conclusion that **this structure adopted the “milking” business strategy**: taken as a whole there are no investments in expansion or modernization, and the means of production are exploited to their physical end. In some cases, the business strategy takes on the “vulture prey” form – the companies are deliberately liquidated, and their assets sold by the pound to avoid riots provoked by lost jobs.

The mainstream theory of business enterprise holds that the aim of each firm is to make profit. The practices of the economic structure in question reveal that sometimes the *accounting* loss may be preferable. In case of profit the company owes corporate taxes. Furthermore, stakeholders raise their claims: employees require higher remuneration and decent labor conditions; locals – infrastructural improvements and higher environmental standards, etc.

But in the case of accounting loss, an enterprise of such kind in fact does not lose anything – it does not depend on raising capital on the open market, and does not have to apportion dividends among its shareholders in order to care for its reputation and market evaluation. The official loans by the connected banks are served regularly, but the real financial relations with the creditors are much more complex. Banks, on their part, widen their balance sheets with granted industrial credits and use them as collateral on the interbank market.

Moreover, a company that records economic loss officially has a good reason to delay the payments to contractors outside the structure. **The analyzed 19 companies have a combined outstanding accounts payable of 225 million euro in liabilities.** The trade unions prefer to stay away since they do not want to “provoke unemployment” at a mine or a TPP by insisting on the rule of law. A corporate tax is most often bypassed. Delaying of all sort of payments – social contributions, concession fees, etc., remains unaddressed by the state agencies. The same applies to a number of other small or big deviations. In this very case, “loss for the year” is the most profitable business strategy.

Guaranteed by the state

Global climate initiatives and accelerating divestment from fossil fuels imply that the described “coal empire” has no shiny future. But what is self-evident in 2018 has stayed on the agenda of the Bulgarian government for at least 15 years. The implementation of Directive 2001/80/EC which aimed at limiting the air pollution from big industrial installations led to an action plan for closing inefficient and dirty coal mines and TPPs^{vii}.

Concerning *Brikel*, it had been agreed that after 2008 its operations would be limited and after 2011 it would be entirely shut down. The plan for the TPP in Bobov Dol envisioned a gradual closure of its coal burning facilities and replacement with gas modules (this point was even included in the Treaty of Accession of Bulgaria to the EU). In addition, the TPP Maritsa 3 had to limit its annual production and close one of its coal burning boilers by 2015.

The privatization of these companies altered these plans: when private interests stepped in, closure or even operational limitation were no longer considered appropriate. Meanwhile the European Environment Agency ranked **these three TPPs among the thirty biggest air polluters in the EU for 2011** with aggregate annual damage costs of pollution between 664 million euro and over 2 billion euro^{viii}. It is true that later on the TPPs were upgraded with filters, but filters alone were not enough to eliminate air pollution completely, as evident in ongoing air quality monitoring^{xi}. The six power blocks of *Brikel* have only one filter. Both power blocks in the *TPP Bobov Dol* have one filter as well. And yet, KEVR, the Bulgarian energy regulator prolonged the electricity production license of *TPP Maritsa 3* until the end of 2020, of *TPP Bobov Dol* until the end of 2019, and of *Brikel* until April 2021.

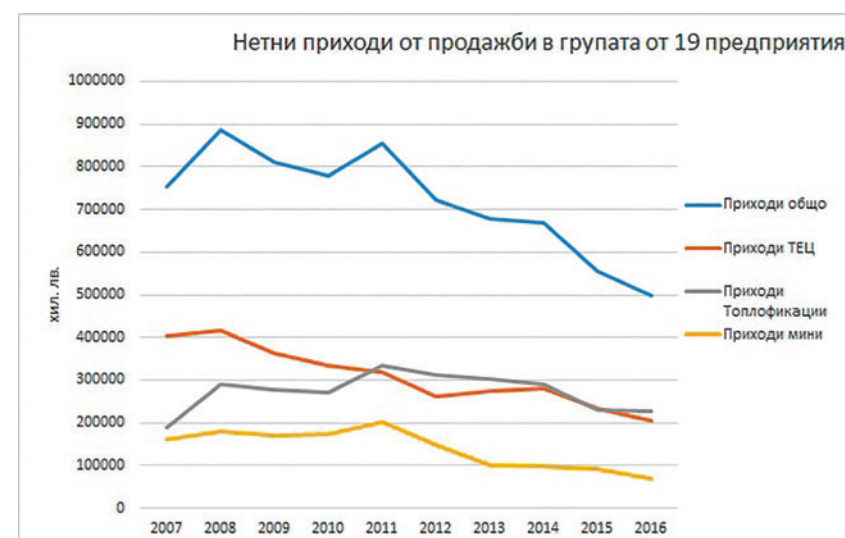
The pardoned “death sentence” in the name of vested banking and energy interests was only an introduction to the special treatment which these companies enjoy today. The Bulgarian agencies not only allowed them to exist, but also granted them several sweet income sources.

Some additional explanations are needed in order to clarify this scheme of state support. When examining the ten-year revenues of this business group, one may see that the most important companies are the three TPPs (1.6 billion euro combined). The revenues of the eight district heating systems (1.4 billion euro) are of similar size. The revenues of the eight mines of around 700 million euro may be considered as input for the production of heat and electricity.

The year 2016 shows the weakest business year for this group with sales of electricity worth 160 million euro. The supply of heat is second in line with 37 million euro. Briquettes sold to households are worth nearly 10 million euro. Of similar amount are the payments for capacity (we will discuss them below). Thus the market value of the production is equal to roughly 215 million euro. The “sales of coal” within this business structure amount to nearly 35 million euro.

KEVR considers the electricity produced by the eight district heating systems and *Brikel* as “highly efficient” since it accompanies another industrial production, namely of briquettes and heat energy. The regulator sets a subsidized price for the “satellite electricity”. But it skips the fact that what is supposed to be a by-product brings several times more revenue than the main production.

In the district heating system of Ruse, the sales of heat are worth around 10 million euro and of electricity 20 million euro. In the gas-burning district heating of Pleven the electricity is responsible for 80 percent of the total sales. In 2016, the combined sales of electricity of the eight district heating systems stay at 77 million euro and of heat energy at 37 million euro. Brikel receives 65 percent of its revenues from electricity sales.



Graphic 4: Net sales revenue, 19 companies (2007 – 2016), in thousands BGN

According to the Bulgarian Energy Law (Paragraph 28 of the Supplementary Provisions), the combined production of heat energy and electricity “should be determined according to the needs of heat energy”. But for many years, the regulating authority allowed these companies to drain public funds by burdening the *National Electricity Company (NEC)* with paying the subsidized prices.

This is a key point since **public subsidies for efficient energy are granted to companies that burn millions of tons of coal** and count among the top air polluters in Europe.

In the case of *Brikel*, briquettes production remains in place only as an excuse for receiving subsidized electricity price. The regulating body allotted a price of 72.27 euro per megawatt hour (excluding VAT) to this company for the year ending in June 2018. The *NEC* is obliged to procure electricity worth 35 million euro from *Brikel*. This is three times more than its sales of briquettes.

KEVR endowed this **coal-burning plant with a subsidized price for “efficient energy”, a price that is 32 percent higher than the one paid to the wind farms in Bulgaria**. It is even higher than the price allotted to larger solar plants (67 to 68.5 euro per megawatt hour). The purchase of *Brikel*’s power imposes annual net losses of 10 million euro on the indebted *National Electricity Company*. A calculation reveals that for the year 2014, *NEC* would spare some 15 million euro if it pays *Brikel* the same price as the price paid to the state-owned coal burning *TPP Maritsa Izток 2*.

With regard to the eight district heating systems, average weighted electricity price set by KEVR is equal to 79.02 euro per megawatt hour. Therefore, in Bulgaria, **electricity produced along with heat energy is 15 percent more expensive than solar power**. For the year ending in July 2018, *NEC* would pay 103.3 million euro for the “efficient power” of *Brikel* and the district heating systems in the towns of Burgas, Ruse, Pleven, Pernik, Sliven, Veliko Tarnovo, Vratsa, and Gabrovo.

This lightly covered up state aid does not exhaust all the benefits that this “coal empire” draws from public funds. During peak consumption in the winter months, the energy system pays some power plants for spare capacity – the so called “cold reserve” which is activated only when a deficit in the system emerges. All three *TPPs* – *Brikel*, *Bobov Dol* and *Maritsa 3* take part in this scheme. And all three of them failed when it became necessary to activate the cold reserves during the bitterly cold January of 2017. In spite of that, the companies received public money for being reliable in full.



Polluting coal power plants should be thing of the past

This failure stoked fears of power blackouts and even forced the Bulgarian politicians to guarantee electricity supplies from abroad. However, no sanctions have been imposed on the power plants. On the contrary, they are in line for receiving capacity payments for the coming year. The three *TPPs* together with *Toplofikacia Ruse*, another company of the same business structure received nearly 8.4 million euro for the cold reserve during the winter of 2016/2017*. When this “Christmas gift” provoked public anger, the operative data for capacity payments was closed for public access.

We will only allude here to two more aspects of hidden state aid: the unduly generous allotment of carbon credits to this “coal empire”^{xi} and the constant reversal in upper court instances of tax revisions amounting millions of euro.

Under an offshore umbrella

On two consecutive meetings in July 2014, the Bulgarian Commission for Protection of Competition issued 14 uniform decisions^{xii}. The decisions in question constituted permits for the transfer of capital of Bulgarian companies. In all of the cases the sellers were incorporated in the Seychelles. All of the buyers were newly established companies based in the UK and Cyprus. The deals encompassed five mines, seven district heating systems and two TPPs – the outlined above subjects of the “coal empire”. In 14 consecutive resolutions, the Bulgarian anti-monopoly regulator declared that there was no risk for suppression of market competition since the “buyers” were new entities, with no business records to date with company directors having no other involvements in the Bulgarian energy field.

Maybe this is not the most striking, but certainly among the most obvious examples of how Bulgarian authorities are serving private business interests. The companies in question were not only interconnected as suppliers and contractors, they were even fellow shareholders. **All of the “buyers” were established in May 2014.** Two fictitious headquarters in London harbored eight of them. But the regulating body stubbornly denied to see any connections among these companies.

A journalistic investigation in 2017 paid a visit to the places where these companies “resided” in London^{xiii}. The first address coincided with a crowded virtual office on Regent Street. The other was an uninhabited row house in Battersea, where the “owners” of *Brikel* and *Bobov Dol TPP* would have been “sharing toilets” with the owners of *Chukurovo mine* and the district heating of the town of Pernik.

The case with the biggest company from this network – *Bobov Dol TPP* – deserves more attention. In its Seychellois period, its shares had been held by four companies: 64 percent for the “owner” of the (already closed) *Chukurovo mine*, 22 percent for the *Beli Breg mine*, 10 percent for the *Stanantsi mine*, and 4 percent for *Mini Otkrit Vagledobiv*. Since July 2014 the shares had been divided in exactly the same proportion of 64 – 22 – 10 – 4 between the new “London owners”. It is hardly necessary to give more examples that we are faced with shell companies of a closely interconnected business structure.

The small black coal mine *Balkan 2000* still retains its Seychellois “owner” – probably the high transaction costs have been pointless for its size. On paper, *Toplofikacia Ruse* is a subsidiary of the smaller *Toplofikacia Pleven* and therefore it has also been transferred to the new “owner”, one based in Wakefield, UK. The *Bobov Dol* coal mine after its murky privatization follows another path, but a similar mechanism has been applied: after being laundered in the British Virgin Islands, it went to an intermediate “owner”, who was coincidentally the Chairman of the Municipal Council in *Bobov dol*, just to reach its final destination – a newly established firm in Wakefield.

As a whole, the business of Hristo Kovachki finds great use of offshore companies. His first acquisition in the energy field – two medium-sized hydropower plants in 2000 – was supposedly financed by a fund based in the State of Delaware^{xiv}. The shares of *Storko* – a canned food

producer which according to the Bulgarian financial media also belongs to Kovachki – are held by a company registered in the Bahamas^{xv}. The shares of the district heating in *Vratsa* are held as a collateral by a company incorporated in Belize. Fifty percent of the shares of *Burgas district heating* and the harbor operator *Port Flot Burgas* (also a member of this network) has been with companies from the British Virgin Islands. The offshore list may be easily expanded.

First Investment Bank which provided financing for privatizing the companies of the coal network is experienced in offshore dealings as well. In former years two financial funds from Jersey and the Cayman Islands, each with 10 percent of the bank’s capital, had been among the bank’s shareholders. At present, two of its main shareholders, with 42.5 percent of shares each – *Tseko Minev* and *Ivailo Mutafchiev* – co-own a company registered on the British Virgin Islands (*Framas Enterprises Ltd.*). In addition, for more than a decade, *FIB* has a bank branch in Cyprus. And an unemployed Cypriot named *Georgius Georgiu* serves as a facade director of a number of controversial projects of *FIB* in Bulgaria.

As a rule, offshore and shell companies are used to conceal the real ownership of a certain asset, or to avoid taxation. But the practice also knows other offshore applications. *Evromangan* – concessionaire of a manganese deposit near the Black Sea coast of Bulgaria is officially owned by a company registered in Cyprus, which is owned by another Cypriot company led by *Maria Papapavlou*. To note, Mrs. *Papapavlou* also serves as the director of the Cypriot company which “bought” the brown coal mines in *Burgas* in July 2014.

The Offshore Leaks Database revealed that *Papapavlou* is a director or has connections to 66 companies in different economic sectors^{xvi}, and in one of them (*Mirthbridge*), she is a fellow shareholder with the Russian banking billionaire *Dimitri Ananiev*. But let us retain our main focus. The labor conditions and the remuneration at this manganese mine are terrible. The underground galleries are extremely humid, the air conditioning is compromised, and the miners often develop occupational respiratory diseases. In May 2017, in an underground accident the legs of the mine’s labor union leader were completely crushed. In 2015, collapsing of ore killed a 39-years old man and heavily injured another miner. The workers are ready to run this risk in order to provide for their families. Their monthly salaries of less than 300 euro had been subjected to regular delays for months.

After desperate protests including a three-day underground strike and a road blockade, the Bulgarian government finally noticed the problem, and the managers agreed to raise the wages to 300-400 euro per month. But only a month later the salaries were delayed again. The claims of the employees were referred to the mythic “Cypriot owners”. The owners were away, and there was no one to blame for the alleged diverting of 25 million euro of revenues, or for the silent burdening of the mine with a debt worth of 30 million euro^{xvii}. A Deputy Minister of Energy visited the mine declaring his empathy to the miners’ fate and threatening the “owners” in front of TV cameras – but his words disappeared into thin air. The state prosecution announced that the case would be thoroughly investigated, only to be hushed up soon after.

Human rights for miners

Underground strikes appear to be a common feature for this circle of companies. In September 2014, sixty miners in the Burgas coal mine refused to come out after a night shift remaining in the galleries 300 meters below the surface for almost two days. The men were demanding their salaries which had been delayed for two months. A miner said: "It is unbearable. It is impossible to work like a dog and still starve. We live in a perverted slavery. The slaveholders of the old at least guaranteed their slaves bread and shelter". Another miner succinctly pointed out that he had no means to send his child to school.

Just three months later the same situation repeated itself. In December 2014, forty-three miners refused to come out after a night shift and locked themselves in the galleries of the Burgas coal mines. Their salaries had been delayed for two months and the miners wanted them paid immediately since they were left without money just before Christmas. The last paid sum was 180 euro for the month of October^{xviii}.

Following a long and painful process, the coal mine near Burgas was closed in April 2016, and the remaining 280 miners dismissed. Part of them found new jobs in *Vagledobiv Bobov Dol* (almost five hundred kilometers away), others went to the manganese mine in the north^{xix}. This explains the spreading of the know-how of underground strikes, but the bosses at Bobov Dol preferred a more hardline approach.

At the end of October 2016, one hundred and fifteen miners from the Bobov Dol coal mines remained underground for three days, in protest of job uncertainty, and the fact that their last salaries had been paid in July and the food vouchers in February. Some of them fell sick and had to be forcibly taken out of the galleries. In the end, the workers succeeded in attaining their requests since the strike had grown into a national issue and the Parliament and the Prime Minister were forced to intervene.



Coal miners work
for monthly salaries
of roughly
EUR 300-400.

But before the politicians and media got involved, the management of the company tried to crush the disobedience. According to media publications, the ventilation in the underground room where the striking miners were staying had been stopped for 15 minutes – an act which certainly could provoke their suffocation 500 meters below the surface. When this blatant threat failed, the management, led by Krasimir Chavraganski (the Chairman of the Municipal Council) applied "soft power": the relatives of the protesting miners, gathered at the entrance of the mine, were informed that all the employees of the company would immediately receive their due salaries – except those rioting underground^{xx}.

The desperate protests of humiliated people who had to wait for months to receive their earned wages of 300 or (in exceptional cases) 400 euro provoked public indignation, but only alluded to the real labor problem. Bulgarian coal extraction is a dangerous business. Between 2007 and the first half of 2017, the National Social Security Institute had registered 693 work-related injuries with **23 dead and 17 permanently disabled in the coal extraction industry**. Most likely this list is not exclusive.

Mining emergency teams are missing or deficient, and monitoring of the miners' health and labor conditions is utterly compromised. This applies not only to the mines, but the other companies of this structure as well. In February 2017, a worker died in *Brikel*, and another four men were wounded. In June 2017, an electric shock killed an employee in the district heating of Pernik. The journalists who visited the plant to cover the incident qualified the labor conditions as "inhuman".

Meanwhile, after elaborating how to benefit from the accounting loss, companies' owners also found a way to monetize the wildcat strikes of their employees. There had been several cases when protests of miners and energy staff were used by "Kovachki" in order to apply rude pressure on the authorities: when the accounts of Kovachki were frozen during the tax inquiry in 2008, when the NEC delayed paying its contract obligations in 2014, and when the power plants faced closure because of unfulfilled environmental requirements. The brains of this group skillfully pit the employees by suggesting that the ultimate enemy is the government and the rule of law.

The supposedly common interests should not mislead us: this business structure has a "slave owner mentality" towards its workers. Employees are obliged to work for months without being paid. They also have to vote for the political candidates indicated by the owners. The corporate vote had already been in place in the local 2007 elections when the party of Kovachki received approximately as many votes as the number of staff working for the Bobov Dol mines and power plants^{xxi}.

In the next elections, employees were instructed for whom to vote providing there were no own candidates. In 2014, one week before voting for European Parliament, a hidden camera revealed^{xxii} how the miners of Bobov dol were being instructed: "Elections will be held Sunday. This week the salaries will be paid as well. This means, it is good to work with (the Bulgarian Socialist Party), there would be revenues". The people were "motivated" with a 25 euro advance payment. The leaked video outraged the public, but the Central Election Commission refused to hold anyone responsible.

The candidates backed by the "coal empire" failed in that election, and someone had to have assisted journalists with recording the infamous campaigning. The punitive action was on the way.

One part of salaries at the Bobov dol mine is paid in food stamps accepted only at the local grocery store, owned by Kovachki's group of firms. For example, if one receives 300 euro monthly, 200 euro are paid in cash and 100 euro in food stamps. One week after the "failed" vote, the

store stopped supplying goods. Only toilet paper and some rice were left on the shelves. Then a rumor spread that sausages would be delivered, and people started queuing up from 2.30 a.m. There is a video^{xxiii} showing how the crowd is dashing to get access to the food.

When this humiliation also became evident, the national ombudsman denounced the “serfdom”. The Labor Inspectorate promised an investigation, but did not come out with concrete results. No single institution dared to disturb the “owners”. It is clear why the management of the Bobov dol mine insists on suing the miners that initiate wildcat strikes: they want to possess not only the miners’ free labor, but also their obedience.

The labor unions are concerned predominantly with the melting jobs and take no solid stance. At least, one of the labor’s leaders in *TPP Bobov dol* (which presumably is in much better financial health than the mine) approached the problem in 2017: “The remuneration has never been regular... The salaries are late by 2-3-4 months. Working clothes have not been distributed for 3-4 years.”^{xxiv}



What is the future
of Bobov dol
beyond coal?

The financial mines

Our analysis of the financial results of the 19 companies revealed something unusual: despite the fact that these firms are heavily indebted, taken as a whole the ongoing financial operations result in revenues instead of costs. In 2016, the nineteen companies report net financial revenues in the order of 8 million euro. The financial incomes of the district heating systems exceed 10 million euro, but the TPPs diminish the positive result. The coal mines, mostly *Beli Breg* and *Staniantsi* profit from their financial operations despite being burdened with considerable liabilities.

The supposed paradox of coal mines taking profits from financial operations may be explained by the fact that these companies serve as financial intermediaries **that grant loans and collect interests, obviously on behalf of third parties**. In this way, the district heating of Pernik which has almost 30 million euro of accumulated loss collects interests on business loans amount-

ing to millions of euro. The same pattern emerges within the district heating system of Ruse, the coal mine in Bobov Dol, and others.

This practice may be not breaching the law, but is highly controversial considering the postponed payments towards employees, social security system, and state budget equal to more than 110 million euro combined. But there is another scheme which attracts bigger concerns: the retirement fund where employees of this group make their “voluntary” contributions for additional pensions. The pension company *Toplina* is registered at the same address as the headquarters of “Kovachki” and a firm controlled by Kovachki as its biggest shareholder. It invests a substantial part of the retirement funds in shares and bonds of the companies from this coal network.

As of end of September 2017, the assets of *Toplina* amount to 88.5 million euro. Of them, nearly 15 percent (12.5 million euro) are invested in the “coal network”: in shares of *Atomenergoremont* and bonds of *Staniantsi* mine, the district heating systems of Pleven, Ruse and Vratsa, and of *TPP Bobov dol* and *Maritsa 3*.

According to the Bulgarian Code of Social Security, pension companies are not permitted to invest their funds into financial instruments issued by connected persons. In addition, pension companies are not allowed to place more than 10 percent of their assets in one business group or in companies that are closely interconnected. These strict rulings explain why the deviation of *Toplina* is so “small”. But the financial strategists have found a solution. Another Bulgarian business structure has its own pension company and a number of connected firms as well. Each of the pension funds invest the retirement money of their employees in an “allied group” – without breaching the law.

All these instances of bending the law may have dire cumulative consequences. It is evident that the economic and financial results of the “second echelon of energy” are apparently crumbling. All in all, coal burning energy is on decline across the whole European Union. **The retirement funds of the employees are prone to a structural risk.** This scenario may be used as another leverage for adding pressure on the government to continue supporting a dirty and inefficient energy branch.

The good financial planning in this business structure should not surprise. As we have seen, First Investment Bank has been directly involved in the network’s creation with documented links to at least 5 of the companies in question. *FIB* has previously assured the energy regulator KEVR that the bank would guarantee the huge liabilities of *Brikel*. In addition, *FIB* is officially a shareholder in the thermal power plant *Martisa 3*. Journalist investigations claim that *FIB* granted “Kovachki’s” companies 150 million euro worth of credits that were structured in 17 individual loans with different official receivers^{xxv}.

This credit amount was similar to the one we uncovered in preparing this report, but nevertheless we should underline that it is very hard to determine who owns what. The sophisticated nature of the business network allows for individual companies to “optimize” their results with an ease: the companies may declare at will losses or profits by posting revenues or costs beyond existing market prices; they are capable of increasing or decreasing the assets or liabilities in their balance sheets through fictitious payables or receivables; they can grant mutual “loans”, transfer fake assets, etc.

With respect to financial intricacy, the case of *Dining Energy* deserves attention: this company supplies anthracite coal to the district heating of Ruse (officially the fuel is mined in the Russian Far East, on the border with China). *Dining Energy* has the same address as *Brikel*. The district heating

of Ruse posts millions of euro worth of losses, while *Brikel* has horrendous financial records. Yet *Dining Energy* reports moderate profits.

In its 2017 European Semester Report on Bulgaria, the European Commission states the following with regards to Bulgarian banks with domestic shareholders^{xxvi}: "If subjected to the business interests of their owners, these institutions may be vulnerable to concentration and operational risk through imprudent management, as well as related-party and connected exposures. Where these feature in systemically important institutions, the vulnerability could affect the entire financial system". Further below on the next page the report asserts that *FIB* is a "systemic" bank and it is responsible (together with *Investbank*) for 79 percent of the entire corrections applied by the Asset Quality Review of the Bulgarian banking system. For the entire banking system, the stress test revealed non-performing exposures of banks' corporate portfolios amounting to 1.9 billion euro.

It is no secret that *FIB* has a broad interest in old industrial plants (the remnants of the lead smelter in Kardzhali, the huge bankrupted steel plant of Kremikovtsi, the "second energy echelon", etc.). In the same time *FIB* is a systemic bank. Even if accepting that the Bulgarian government is moved entirely by the interest of the public, one may expect that in order to preserve the social and financial stability, the government would continue supporting obsolete industrial facilities. Important decisions would be postponed, the regulations would be applied selectively, and subsidized prices would be granted. There would not be any place for human rights or environmental integrity.

Empire with no future but high costs

This report has no claims of being exhaustive. It deliberately omitted many businesses associated with "Kovachki", for instance the *Municipal Bank*, or "his" insurance company, or the failed expansion abroad with the privatization and draining of 15 Serbian companies including coal mines^{xxvii}. In addition, the circles of firms around the coal assets such as *Heat Energy*, *Trash Energy*, *Dining Energy*, or *Tibiel*, which are responsible for the logistics within the group were not analyzed in detail. *Grand Energy Distribution*, an electricity wholesaler with long-term assets of only 62 thousand euro, but sales of 111 million euro deserves more attention as well. The political project of Kovachki was only briefly mentioned.

But presumably it has become apparent that by following its current business principles, the depicted "coal empire" could prolong its existence far into the future. Perhaps the expensive and perilous underground coal mining would be gradually abandoned with the mines of Chukurovo, Burgas and parts of Bobov Dol mine already shut down. At a later stage the four district heating systems that are still burning coal (Pernik, Ruse, Sliven, and Gabrovo) might be upgraded to natural gas or biomass fuel. Recently the energy regulator set highly subsidized prices for biomass power, and coincidentally "Kovachki's" district heating systems are now in the process of researching and developing this technology.

In the most unfortunate scenario, the underground coal mining would simply be replaced with open pit mines. Possible opportunity is Pernik – this century-old Bulgarian industrial and mining center sits upon a huge brown coal deposit which has until now been only partially developed because of concerns over its impact on local population. In 2016, the government silently re-

newed the concession of this field for another 25 years to Kovachki's firm *Mini Otkrit Vagledobiv*. The latter then quickly transferred its rights to a newly established company, the owner of which is one of the sponsors of Kovachki's party. Thus more and more the lines of responsibility are getting blurred and assure future complications.

In any of these cases, the core of the power plants and district heating systems would be preserved and they would continue to produce electricity and to lobby Bulgarian ministries and state agencies in order to get subsidized prices. It is by coincidence that Kovachki's party was among the first proponents of adopting a law on lobbyism in Bulgaria. Alternatively, the "coal empire" may limit its scope and most probably its financial results would start looking healthier.

Such transition would linger on until it remains profitable for the investor. The fates of the dismissed workers would most certainly not be taken into consideration. The state agencies would face difficulties by collecting the outstanding sums, but the interests of the hidden owners would be preserved. Examples of this double standard are everywhere: in 2014, the National Revenue Agency officially deferred social security contributions worth 21 million euro due by the Bobov dol mine. Not long after that, in Burgas, the agency evicted the families of terminated miners in order to sell their homes and recover financial claims towards the bankrupted *Mina Cherno More*.

Until this moment there are no operational retraining programs for miners^{xxviii}. The guarantee funds that have to allow the rehabilitation of the closed mines are questionable^{xxix}. Regardless of whether its retreat from the coal sector would be swift or prolonged, this "empire" has one single interest: to maximize its profits. Under the current institutional framework in Bulgaria this would inevitably lead to compromising the environment, socializing the massive expenses of said business structure, and shattering thousands of human lives. Since these companies are not officially connected with each other, but are controlled by shell firms registered abroad, it would be hard to hold an empty mailbox in London or in Cyprus responsible.

The alternative scenario has its name and it is the Rule of Law. It implies nothing more than respecting the public financial interests, enforcing environmental protection laid down by law, and showing empathy towards workers' conditions. Such simple aim for Bulgaria would require much efforts in the coming decades, but the process may start even today – by abandoning the unlawful price subsidies, standing for the human rights of the miners, and imposing adequate measures against the air polluters.



Coal should stay
in the ground

Sources

ⁱ <http://www.parliament.bg/bg/archive/51/3/2329/steno/ID/4402> (Minutes of a discussion in the Parliamentary Committee of Energy, October 2016).

ⁱⁱ "Bulgarian party leader and oligarch charged with tax fraud". 20.08.2009 <https://www.euractiv.com/section/justice-home-affairs/news/bulgarian-party-leader-and-oligarch-charged-with-tax-fraud/>

ⁱⁱⁱ To ascertain this, just before the end of December 2017 the Bulgarian government silently transferred 60 million euro from the state budget to the state-owned Eco Anthracite, a company specialized in rehabilitation of old mines. http://www.capital.bg/politika_i_ikonomika/bulgaria/2017/12/13/3096508_pravitelstvoto_zapochna_da_namestva_izlishuka/

^{iv} https://wikileaks.org/plusd/cables/09SOFIA301_a.html . The name of Hristo Kovachki appeared 16 times in the WikiLeaks cables.

^v Dimitrov, M. From Spies to Oligarchs. 2009 <https://www.democracy.uci.edu/files/docs/conferences/dimitrov.pdf>

^{vi} "The public nuclear power plant granted a 30 million BGN contract to a Kovachki's firm". 24.04.2016 http://www.capital.bg/biznes/kompanii/2016/04/24/2748741_aec_kozlodui_dade_poruchka_zanad_30 mln_lv_na/

^{vii} National Programme for Implementation of Directive 2001/80/EC. Sofia, March 2003 http://old.eu-rope.bg/upload/docs/CONF_BG_02_03_ad15_01_BG.pdf

^{viii} "Cost of Air Pollution from European Industrial Facilities 2008-2012 – an updated assessment". EEA Technical report No 20/2014 <https://www.eea.europa.eu/publications/costs-of-air-pollution-2008-2012>

^{ix} The Suffocating Grip of Coal. Greenpeace, November 2013 http://m.greenpeace.org/bulgaria/Global/bulgaria/Campaigns/Climate%20and%20Energy/Coal/Report_coal_EN1.pdf

^x "An election gift to Hristo Kovachki from the Government". By Elenko Bojkov, 12.01.2017 <http://www.transmedia.bg/2017/01/14/%D0%BF%D1%80%D0%B0%D0%B2%D0%B8%D1%82%D0%B5%D0%BB%D1%81%D1%82%D0%B2%D0%BE%D1%82%D0%BE-%D0%B-D%D0%B0%D0%BF%D1%80%D0%B0%D0%B2%D0%B8-%D0%BF%D1%80%D0%B5%D0%B4%D0%B8%D0%B7%D0%B1%D0%BE%D1%80%D0%B5%D0%BD/>

^{xi} The book of Marius – Christian Frunza Fraud and Carbon Markets (Earthscan, 2013, p. 112-119) explores in detail the murky schemes of "Kovachki" with the carbon trader Sagacarbon.

^{xii} Resolutions of the Commission for Protection of Competition from 927 to 934 on 10.07.2014 and from 875 to 881 on 03.07.2014

^{xiii} "How the TPP in Bobov Dol Sued the State". By Dimitar Sabev. 23.03.2017 <http://bodil.bg/2017/03/23/bobov-dol/>

^{xiv} "It may be stated that I might almost pay you". 05.06.2000 <http://www.banker.bg/obshtestvo-i-politika/read/moje-da-se-kaje-che-pochti-shte-vi-platia>

^{xv} "Storko – the factory for canned food of Kovachki might be sold because of piled up debts". 24.06.2015 http://www.capital.bg/biznes/kompanii/2015/06/24/2559637_konservniiat_kombinat_na_kovachki_storko_se_prodava/

^{xvi} <https://data.occrp.org/entities/99bd8a1ae745a45a71303c6825aa91240ad629cb>

^{xvii} "The Doomed Mine". 10.07.2017 <http://bodil.bg/2017/07/10/manganese-mine/>

^{xviii} http://light.standartnews.com/balgariya-obshtestvo/potushiha_s_360_000_lv_bunt_na_300_m_pod_zemyata_obzor-266867.html

^{xix} <http://bnr.bg/burgas/post/100679755>

^{xx} "Three days underground exposed on 40 degrees Celsius". 13.10.2016 <https://www.vesti.bg/bulgaria/miniorite-izliazoha-s-bylgari-iunaci-6059998>

^{xxi} "The First Investment Party". By Kalin Parvanov. Tema Weekly, 19.11.2007

^{xxii} "Bosses apply pressure on miners to vote for a concrete political party". 21.05.2014 <https://nova.bg/news/view/2014/05/21/75803/началници-притискат-миньори-да-гласуват-за-определена-партия/>

^{xxiii} "The modern slavery in Bobov dol". 27.05.2014 <https://www.vbox7.com/play:69c66d1620>

^{xxiv} "A TPP connected with Hristo Kovachki delays paying salaries by four months". 17.05.2017 <http://btvno-vinite.bg/article/bulgaria/obshtestvo/svarzvan-s-hristo-kovachki-tec-bavi-zaplati-po-4-meseca.html>

^{xxv} "Greek National Pocketed State Budget Aid Granted to Private Lender FIB". 24.01.2015 <https://bivol.bg/en/greek-national-pocketed-state-budget-aid-granted-to-private-lender-fib.html> (The investigation of "Bivol" uncovered bank's credits to Kovachki amounting to 335 million Bulgarian leva but in one case there is a double record).

^{xxvi} https://ec.europa.eu/info/sites/info/files/2017-european-semester-country-report-bulgaria-en_3.pdf (p. 22, 23)

^{xxvii} "8000 Serbian families devastated by Bulgarian tycoon". 01.11.2010 <http://www.novinite.com/articles/121733/Blic%3A+8000+Serbian+Families+Devastated+by+Bulgarian+Tycoon>

^{xxviii} Economic and Energy Alternatives for the Bulgarian Coal Industry Regions. Za Zemiata, 2013 http://zazemiata.org/v1/fileadmin/content/energy/docs/Coal_Doklad_final_1.pdf

^{xxix} "Bulgaria's Pernik: Abandoned by the State". 17.01.2017 <http://www.novinite.com/articles/178396/Bulgaria%27s+Pernik%3A+Abandoned+by+the+State>



Greenpeace is an independent global campaigning organisation that acts to change attitudes and behavior, to protect and conserve the environment and to promote peace

It comprises 26 independent national/regional offices in over 55 countries across Africa, Europe, the Americas, Asia and the Pacific, as well as a coordinating body, Greenpeace International.

Twitter: @gpbulgaria

Facebook: Грийнпийс България

