



ekodія

TRANSITION



OSTRAVA!!!



Rusting promises - always in the future tense

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Lemeš



How ArcelorMittal Zenica (Bosnia and Herzegovina) didn't keep promises about environmental protection

Short intro: Bosnia & Herzegovina - the first country in the world with "direct democracy"



- Bosnia and Herzegovina is a small country in the Southeast Europe, with the most complex government structure worldwide.
- Has 14 governments (1 state level, 2 entities + district, 10 cantons)
- Has 180 ministries on different levels
- Population (2013 census): 3.531.159
- Beautiful nature, rich cultural heritage, great sportsmen, artists, scientists,...
- Suffered devastating war 1992-1995.
- Struggling to become an EU candidate.
- Leads lists of unemployment, pollution,...







Rusting promises - always in the future tense



- How and when it all began?
- First attempts to fight the pollution
- Privatisation - the first set of (secret) promises
- Environmental permits - the written promises
- Eko forum's attempts to participate
- Eco-activism: letters, protests, meetings, media,...
- Legal actions -an accident, not a crime?!
- Can NGO write the environmental permit?
- Promises...
- Who is more powerful than international corporation?



How and when it all began?



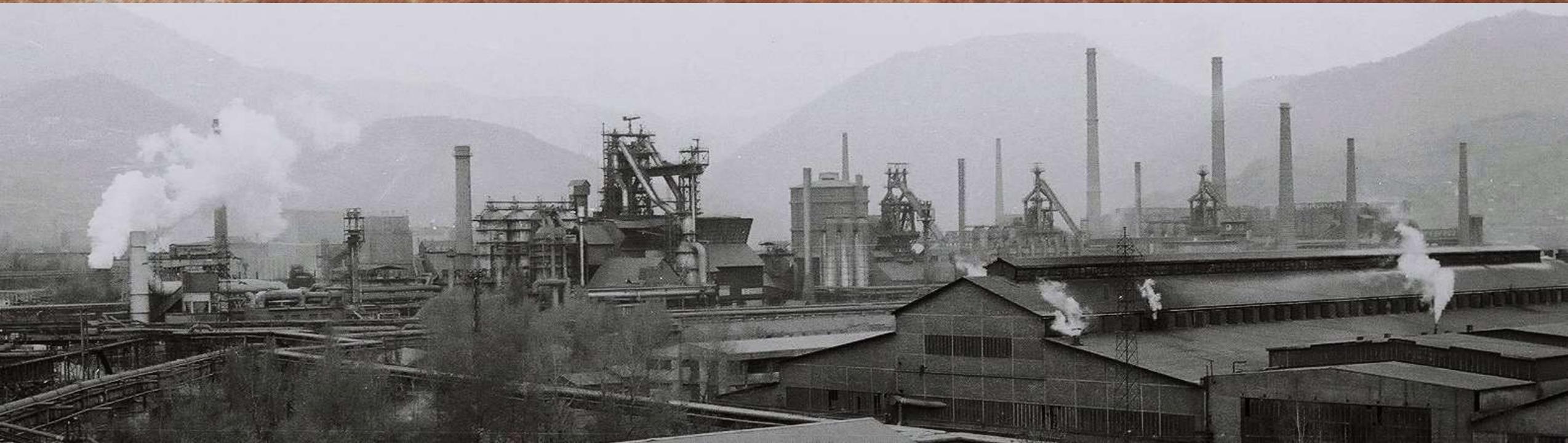
- The steelworks *Eisen und Stahlgewerkschaft Zenica* was established in 1892 by steel-trader from Prague *Leon Bondy*, Austrian steelmakers *Moritz* and *Adolf Schmidt* and industrialist *Hans Pengg von Anheim*.

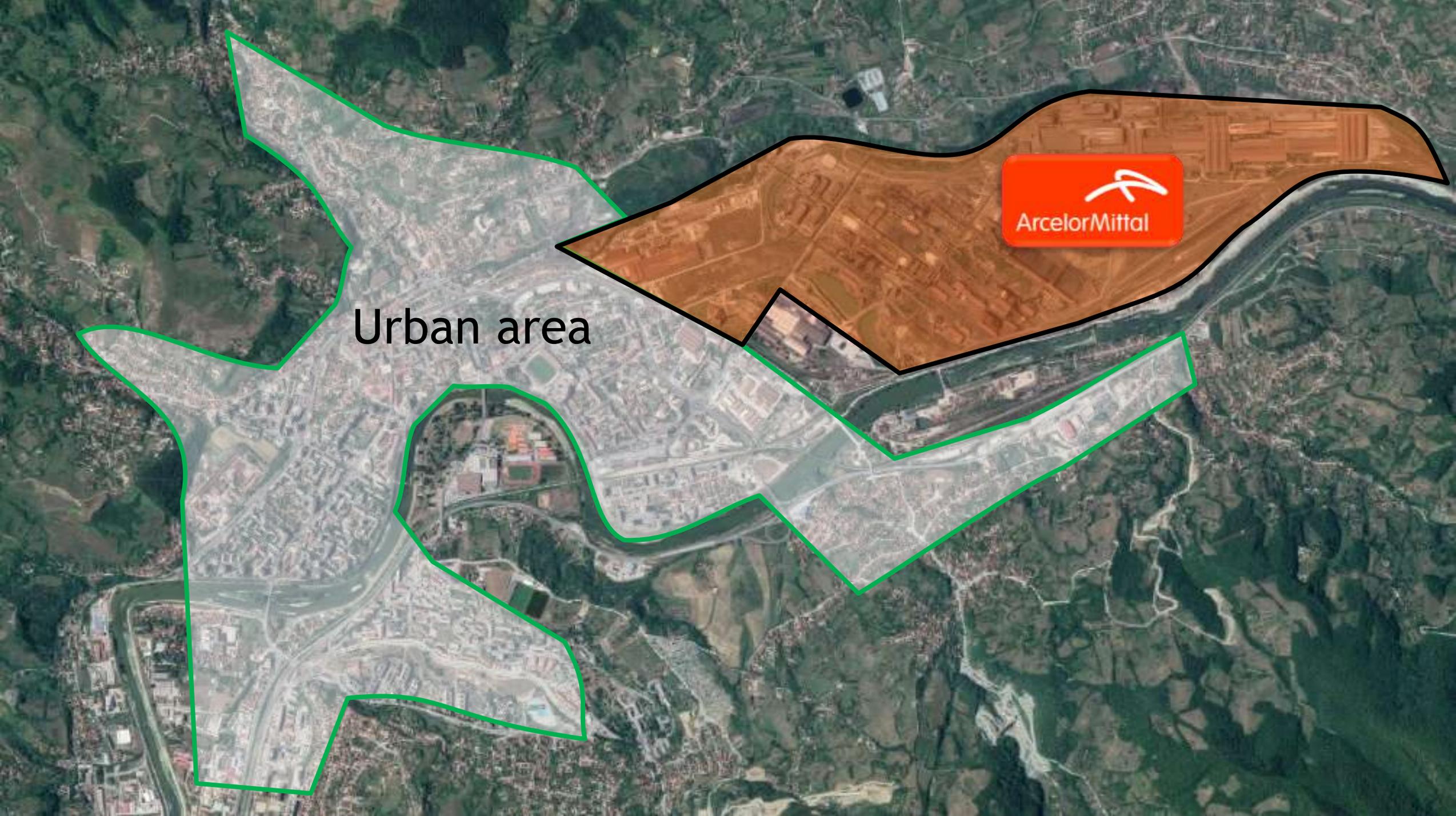


How and when it all began?



- In Yugoslavia, after 1945, steelworks was strategically determined to grow.
- Until 1992, it had 22.000+ employees, and produced 1.700.000 tons of steel.



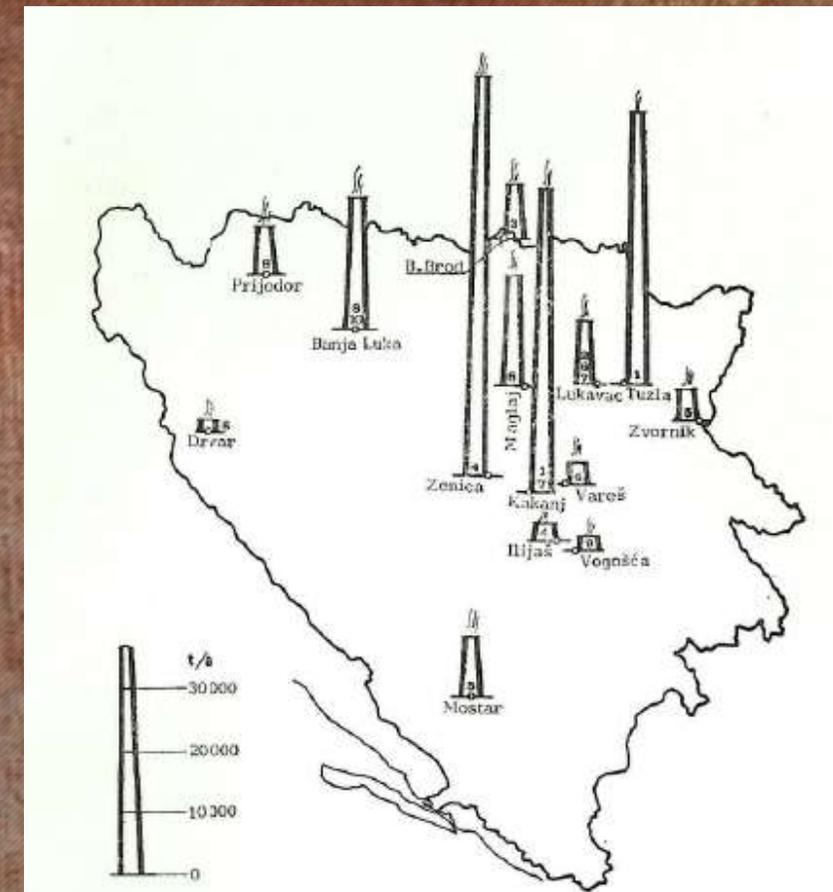


Urban area



First attempts to fight the pollution

- In 1954, the first air quality measurements in Bosnia and Herzegovina were conducted in Zenica.
- In 1963, the local air-pollution tax was introduced; the steelworks forced to pay the tax until they install the emission reduction equipment.
- In 1965 the city mayor was arrested, in 1966 all air-quality measures were suspended.
- In 1970's the focus was on capital Sarajevo - introducing natural gas decreased air pollution
- In 1980's steelworks purchased studies on emission reduction from British Steel and US Steel



Sl. 5. Emisija SO₂ iz velikih izvora u BiH 1979. god.

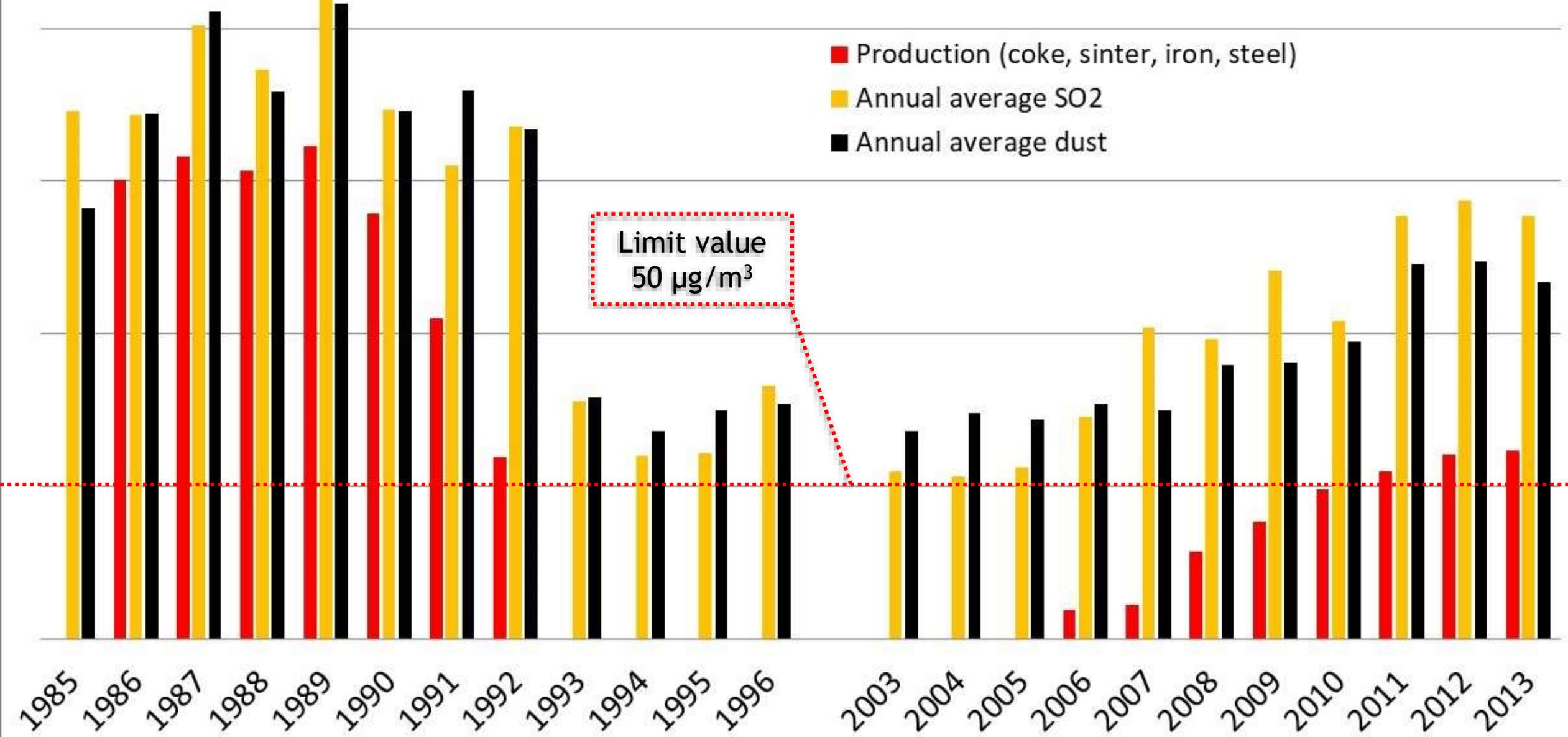
Privatization: the first set of (secret) promises



- In 1999 acquired by Kuwait Investment Agency (KIA) - compensation for oil debt
- In 2004, Mittal acquires 92% shares from KIA and Bosnian government.
- In 2008, integral steel production restarted: Sintering Plant, Coke Oven, Blast Furnace, Power Plant, BOF, Forging Plant, Rolling Mill.
- Privatization agreement was never disclosed
- All attempts to make it publicly available failed.
- It leaked that Mittal should invest 165 M\$ in 10y.
- Air pollution started to increase again; concentrations follow the production rate.



Comparison between air quality in Zenica and Steelworks production



Environmental permits - the written promises



- In 2003, the federal Environmental Protection Act was adopted - introduced environmental permits.
- Existing installations had 5-year deadline to adopt their emissions to the new regulations.
- Permits for Mittal issued with 2-3 years delay (excuse: lack of expertise?!)
- Expert opinions ignored in public hearing phase.
- Penalties were symbolic and too low.
- Deadlines breached for years, with number of excuses.

	2009	2010	2011
usponskih kolona			
mikserском području			
ema: otprašivanja			7
ke vode			
tyanja na elektro filterima			
abavka kompresora za:			
t sistema otprašivanja			
i hlađenje vode sa			
gradnja opreme za			
adnih voda na izlazima iz			

Federalni inspektor zaštite okoliša je po službenoj dužnosti u Zenici kod operatora ARCELORMITTAL Zenica d.o.o. Zenica u periodu **od 01.01. do 31.12.2013.** godine, obavio 67 nadzora, izdao 30 rješenja od kojih je dvadeset devet (29) rješenja o otklanjanju nedostataka i jedno (1) rješenje o obustavi rada, izdata četiri (4) prekršajnih naloga za pravno i odgovorno lice u iznosu **4500 KM.**

Eko forum's attempts to participate



- In December 2008, local intellectuals and activists self-organize as NGO "Eko-forum".
- Without knowing that Aarhus convention exists, and that Bosnia and Herzegovina ratified it in September 2008, Eko forum implemented all the aspects of the Convention.
- The first activities: participating in public hearing about the environmental permit for ArcelorMittal Zenica steelworks.
- Main disadvantages: no baseline study, no deadlines, no penalties,... no response from the ministry.



Eco-activism



- Eko forum tried to do everything to make the government to force the industry to reduce pollution:
 - sending letters
 - collecting and distributing the data
 - organizing protests
 - organizing meetings
 - doing media campaigns
 - participating in international projects
 - collecting evidences about the pollution
- Their response: excuses instead of actions.



Eco-activism: unanswered letters



- We asked the authorities to publish the air quality data.
- We asked the privatization agreement to be disclosed.
- We asked the company to disclose the emissions data.
- Almost no answers came to our requests for information.
- Those information we did receive, were innacurate, falsified or just lame excuses.
- No immediate measures could have been taken, because we had the air quality data with 2-day delays, there was no automatic monitoring equipment.



Protests and rallies

- December 2012: "We survived the war, we will survive you as well!"



Eco activism: protests and rallies



- The first results came right after the protests (very well covered by media):
 - We finally received (some of) the information requested previously.
 - Local authorities installed automatic air monitoring equipment.
 - In december 2013, SO₂ exceeded triple hourly average threshold.
 - Alarm episode was declared, and measures gave results within hours!



subota, 21.12.2013 u 17:00
velika sala Općine Zenica

Zenica
zajedno
za
zrak

Eco activism: protests and rallies

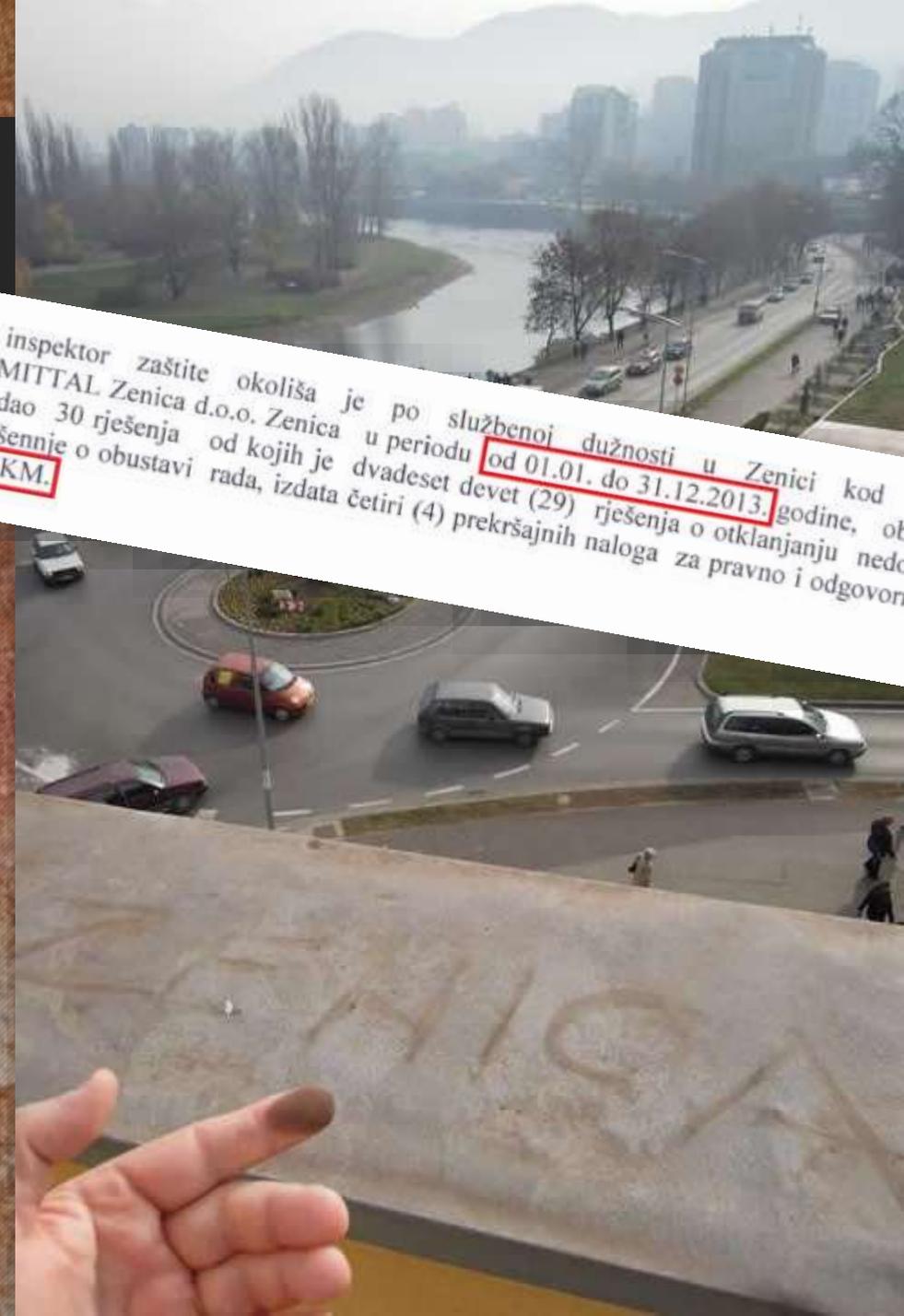
- During the alarm episode, citizens were advised to remain indoors.
- Organized an "Indoor Protest" to raise awareness



Eco activism: results?

- Our actions gave modest results.
- Penalties for pollution were symbolic.
- The government kept using new excuses.
- *If we push too much, the foreign investor will leave?!*
- The corporation's revenues are much larger than national GDP, which allows them to blackmail the government.
- We decided to internationalize our problem.

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Eco activism: going international



- We contacted international organizations, foreign embassies, foreign media,...
- "Arnika" helped us to build our capacities to use the Aarhus convention and to start legal steps, and performed some researches (POPs in eggs).
- We asked the US Embassy for support in unordinary way: don't help our organization, provide expertise for the ministry, because they claim to lack capacities to cope with the problem.
- Foreign embassies finally started to address air pollution issues.
- US Embassy helped us to change the air monitoring regulations: prior to that, no foreign laboratory could be engaged to measure pollution.
- Unfortunately, this new regulation is still unused by the inspection.

Eco activism: media campaigns

- Whenever journalists ask for information from the authorities, they are typically faced with silence, excuses or long delays.
- We provide accurate, reliable and up-to-date information, and built the good relations with local and national media.
- We often attract the attention of international media: Italian, French, Croatian, Serbian, Slovenian, Czech, British, Danish, Dutch,...
- This lead to the public attitude that "Eko forum is more important than the authorities"?!?



Media campaigns

- British BBC made a documentary about our activism in March 2016.
- We had to accompany each sentence, each number, with written documents, upon requests of ArcelorMittal's lawyers.
- In post-production, ArcelorMittal threatened BBC with lawsuit, and they decided not to broadcast the movie.
- A year later, the Guardian dared to publish the story. Mittal's lawsuit followed immediately.



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Cities
The air we breathe

Zenica, Bosnia: the steel town where even taking a breath can be a struggle

Ash clouds dominate the sky in Zenica, with many blaming the air pollution on ArcelorMittal, the world's largest steel maker and a major employer here

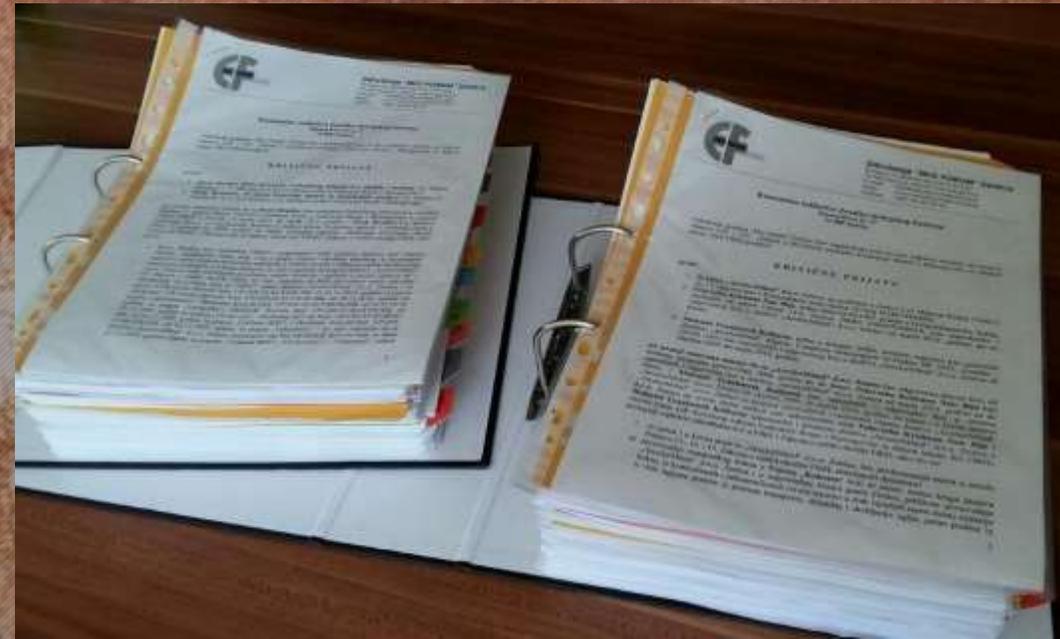


Demonstrators gather in Zenica city centre to protest against air pollution. Photograph: Anadolu Agency/Getty Images

Legal actions -an accident, not a crime?!



- When everything else failed to give results, we decided to submit criminal charges against the steelworks and against the government officials.
- 3 years later, the cantonal prosecutor's office rejected it.
- The reasons for rejection:
 - "There was no clear intention to commit the crime against the environment"?!?!
 - "We cannot close the factory only because of excessive pollution"
- We appealed to the federal prosecutor.
- There is still no decision against the ministry and the inspection.



Legal actions continued



- When the Ministry realized that projects from the environmental permit are late, they decided to loosen the criteria, and created the "filing records" to monitor the realization of individual projects.
- They only made a survey, but no actions were ever performed.
- The environmental permits expired after 5 years.
- The most expensive projects were delayed or canceled.

Department:	Koksara	Karton projekta br. 01/COBP	Datum revizije: 07/10/13	Rev. br. 01
ZAHTEVI IZ DOZVOLE				
Okolinska dozvola br.	UP-I/05-23-43-VI/06-MK		Datum izdavanja: 24.11.2010	
Mjera br.	3.1	UGRADNJA UREĐAJA ZA IZDVAJANJE H₂S IZ SIROVOG KOKSNOG PLINA		
Opis mjere	Ugraditi uređaj za izdvajanje H ₂ S iz sirovog koksnog plina			
Rok za realizaciju prema dozvoli	Dvije godine od izdavanja okolinske dozvole (2012.)			
Željeni efekat	Izraditi Studiju izvodljivosti u 2010 godini			
Status projekta na dan 07/10/13			Datum realizacije	Napomena
Studiju izvodljivosti je izradila kompanija ThyssenKrupp Uhde, Germany			Oktobar 2012.	
Rezultati Studije pokazuju da bi za ugradnju sistema za odsumporavanje koksnog plina bilo potrebno cca. 30 miliona Eura.			otkazati	Provedba ove mjere nije izvodljiva sa tehničkog, tehnološkog i ekonomskog aspekta
Monitoring zraka je pokazao da ukupan sadržaj SO ₂ iz H ₂ S iznosi do 20% emisija SO ₂ . Preostale emisije SO ₂ nastaju uslijed sagorijevanja energetskog uglja sa kotlova Energane i biće dio operativne strategije Energetike.				
Emisije SO ₂ sa dimnjaka koksare su oko granične vrijednosti 800 mg/Nm ³ (max 866 mg/Nm ³ dnevni prosjek) – U prilogu je Izveštaj o emisijama SO ₂ sa dimnjaka Koksare za period Januar – Oktobar 2013.				
Zaključak:	ArcelorMittal Zenica predlaže Federalnom ministarstvu okoliša i turizma da otkáže realizaciju ove mjere.			

Legal actions continued



- ArcelorMittal submitted request for renewal of the environmental permit for BOF and EAF in January 2015
- Eko forum submitted a number of comments and suggestions.
- These comments were ignored, but they "became integral part of the case file", whatever that means.
- The ministry issued the new permit in December 2015, without public hearing, not following the regulations (i.e. the limits for PM10 emissions were doubled) and we had to start the litigation procedure.
- In November 2018 - still no decision by the court.



Can NGO write the environmental permit?



- Following the joint meeting (Eko forum, City and Canton authorities, Inspection, Federal ministry, Prosecutor, ArcelorMittal), the company requested joint permit for the entire factory.
- The ministry calls it "integral permit", but it lacks the waste management, and the water permit is issued by different authority.
- Large environmental projects on hold "until the permit is renewed".
- The Ministry asked us to withdraw our litigation against previous permit.



Can NGO write the environmental permit?



- Unlike any other country in the world, the federal ministry asked CSO to participate in permitting process
- Eko forum and the local community suggested experts to assess the request for permit renewal
- Experts assessed the documentation, performed the field visit, wrote the report with suggestions - 3 times?!?
- We managed to introduce the deadlines into the permit.
- The final meeting had 3 different minutes
- Permit issued in April 2017 - added to litigation case.
- Industrial waste depot still operates without permit.

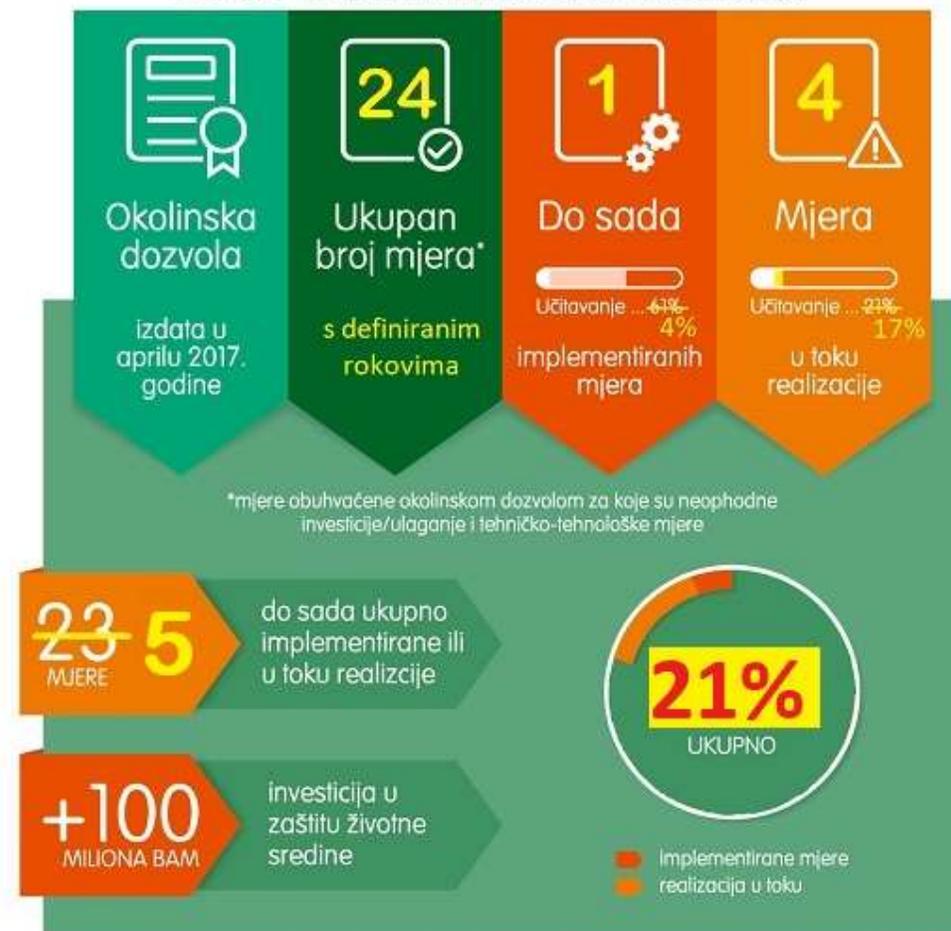
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HOĆEMO
FILTERE!

Deadlines in the permit

- 18 months after the permit was issued, Eko forum asked for the information about the obligation set in the permit (inspection report on performed measures).
- The report revealed that out of 24 measures, for which deadlines were set in the permit, only one was realised, 4 measures are "in the process" and deadlines for 14 measures already expired.
- The corporation responded with infographics, trying to disinform the public.
- Bosnian saying: "Lies have short legs"

 Status realizacije mjera naloženih okolinskom dozvolom koje utječu na smanjenje zagađenja za koje su definirani jasni rokovi za realizaciju



U laži su kratke noge

Promises



- In March 2017 ArcelorMittal Zenica advertised their first hybrid filter in the world installed on sintering plant.
- The government was thrilled with company's success, claiming that this will drastically reduce the pollution.
- It turned out that it was only one of 4 filters, there is no plan for disposal of hazardous waste, and it is not used regularly.
- We have heard rumors that managers receive bonuses for saving the electricity.



More promises



- Secondary dedusting project on Converter Furnace was planned to be finished in 2011.
- In 2014, ArcelorMittal signed a contract for this project with Italian company STG Group (with cheapest offer).
- The cheapest contractor turned out to be in problems, which lead to their bankruptcy in 2015.
- In October 2017 ArcelorMittal signed the new agreement with another Italian company (Ekoplant).
- The works should be finished in the beginning of 2019.



Even more promises



- The heat from steelworks was used for district heating since 1950s.
- After the privatization, the price of hot water doubled (from 11 to 22 eur/MWh), and due to the poor maintenance of coal-powered boilers, frequent malfunctions occur.
- Low reliability and high price, made 1/3 of users to abandon the system.
- ArcelorMittal promised to build the new boilers, which will use only gaseous fuels, thus reducing the emissions of dust and SO₂.
- They decided to offer the city to form a joint-venture company, to invest mutually and to build new boilers.
- They promised to improve the city district heating and to reduce pollution.

No promises to deal with organic pollutants



- ArcelorMittal, the city and the boiler producer from Finland established the new joint-venture company in 2018.
- They intend to burn the coke-oven gas and blast-furnace gas, but the price of these gasses will be as big as of the natural gas.
- Instead of desulphuring the 8.000 m³/h of raw coke-oven gas at 40° C before it is burned, they intend to desulphur the 150.000 m³/h of exhaust gases at 150° C.
- They do not want to measure the content of organic pollutants (benzene, benzo-a-pyrene,...), or to invest in their reduction or reduction of fugitive emissions from the coke plant.



Even our mayor has some promises



- The CEO of ArcelorMittal never used the excuse often heard from Bosnian authorities: "If we push too hard, the investor will leave".
- He even said that "they never considered leaving Zenica".
- However, new mayor of Zenica first accused Eko forum that "we scare out the investors", followed by the "firm promise from ArcelorMittal that we will have the air quality as in Belgium until the end of 2018". We don't.



Who is more powerful than international corporation?



- The latest attempt to cope with powerful international corporation and the corrupted and incompetent government was to turn to those who are more powerful - the financial institutions.
- ArcelorMittal asked a loan from the Swedish investment bank Nordea who asked us about the pollution problems.
- We liked the fact that Nordea managed to condition their loan to an Indian pharmaceutical company with environmental protection.
- ArcelorMittal failed to meet the conditions and the loan was rejected.



Who is more powerful than international corporation?



- ArcelorMittal asked for a loan from Finnfund to build the new gas boilers.
- Finnfund asked Eko forum for a written approval that the new boilers will be environmentally acceptable to us.
- When we asked for information about the environmental performance of their previous similar projects with ArcelorMittal in Kazakhstan and South Africa, they said that it was "confidential information", and that ArcelorMittal cannot disclose it.
- One year later, the loan was granted, not by Finnfund, but by EBRD?!



What else can we do?



- We intend to revivie the dialogue with business with the support of Swiss PeaceNexus Foundation and experts from London School of Economics.
- We have a list of requests for the authorities, which will be redistributed once the election results are implemented.
- Instead using excuses: "recession", "lower steel demand", "lower steel price", "steelworks polluted for 125 years", "it's not us, it's 30.000 domestic fireplaces", "we fixed the roof on local school", "we pay taxes", the corporation **must** invest into environmental projects, as it does worldwide.





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