Subject: Zagreb Incinerator Project

Date: Monday, September 10, 2007 3:51 PM

From: Marijan Galovic // Zelena akcija <marijan@zelena-akcija.hr>

To: <infopol@eib.org>

Conversation: Zagreb Incinerator Project

Zagreb, September 10, 2007

European Investment Bank 100, Boulevard Konrad Adenauer L-2950 Luxembourg

Dear sir or madam,

Zagreb Incinerator Project

Further to Green Action's letter of 1st February 2007 we are writing to update you on our concerns about the Zagreb incinerator project and the associated ash landfill that is planned in Zagreb County, and to re-iterate our request for the EIB to decline financing for this poorly thought out project.

We note that Zagreb incinerator is mentioned in Croatia's draft Environment Operational Programme as being potentially financed by the EIB and we therefore assume that discussions on the project are taking place between Zagreb City Council and the EIB, even if the bank has not been formally approached for financing.

To bring you up to date, there has been no progress in ensuring that a satisfactory EIA procedure takes place for the incinerator. The approval given in July 2006 has not been revoked in spite of the lack of public consultation for the latest version of the study. Green Action's court case with the administrative court aimed at overturning the EIA approval decision is still pending.

In early 2007 Green Action together with local residents in the Resnik district of Zagreb organised a public meeting on the issue. Around 60 people crowded into the hall and were furious that they had not been consulted about such a controversial and potentially dangerous project. They set about collecting signatures against the project and for increased recycling facilities and in just one day collected the signatures of 90% of the village's voting population.

The search for a landfill site for ashes from the incinerator is being carried out in a similarly non-transparent way to the development of the incinerator

project and has attracted massive public opposition. The village of Dubrava has collected significant amount of signatures from its population against the ash landfill whilst a public meeting organised by citizens' initiative SOS Gradec District brought together over 100 citizens, angry that they had not been consulted about the project.

At this point, we would like to ask the EIB whether financing for the ash landfill site would be included in the incinerator project financing, since the projects are mutually interdependent? Even if the ash landfill financing is not included in the project, we believe that the EIB should take its development into account since the incinerator must not begin operation with nowhere to dispose of its ash.

The search for a site for an ash landfill began at the end of 2005 when the County Prefect of Zagreb County signed an agreement with the Mayor of Zagreb to host an ash landfill in Zagreb County in return for having Zagreb County's waste burned in the Zagreb Incinerator. The deal aroused suspicion considering that Zagreb County produces around 80 000 tonnes of waste per year but would exchange this for around 100 000 tonnes of ash, part of which would be fly ash, classified as hazardous waste.

In spite of financial incentives there has been little willingness within the County to host the site. The three district heads who put their districts90 forward for exploratory works in March 2007 did so without the consent of their council members, and were subsequently forced to revoke their offers. **The question about ash disposal therefore remains entirely unsolved.**

Our concerns about the content of the project remain unaddressed:

- the low level of recycling in Zagreb
- the lack of examination of alternatives in the EIA and Zagreb waste management plan
- the lack of updated waste figures and projections on which to base disposal capacity
- the high costs of incineration
- the low capacity of Croatian authorities to monitor pollution and enforce air and water quality legislation
- the lack of provisions for the toxic filter residues and ashes from the incinerator
- no transparency and public participation in policy making related to waste management

We believe that these are sufficiently serious to endanger human health and the environment, and that lack of up-to-date waste data creates a real possibility that the incinerator may be oversized and may not function optimally. However the opportunity to discuss these important issues within Zagreb has been denied by the lack of public consultations and the attitude of local public officials.

Zagreb's mayor, Milan Bandic, this year stated on national television that he will not talk to opponents of his projects and that if they want to do something differently then they should run for elections themselves.[1] <#_ftn1>

We believe that the EIB as a public institution should be financing waste prevention and recycling capacity, in line with the EU's own waste hierarchy, rather than incineration, and that the bank's financing must not support projects developed without observing Croatian and EU legal requirements for Environmental Impact Assessment procedures and public consultations. We therefore ask the EIB to send a clear signal to the Croatian authorities, regarding both the project content and process, by refusing to finance the incinerator project.

Yours sincerely,

Mr. Marijan Galovic Green Action / Zelena akcija Bankwatch Programme Co-ordinator, Frankopanska 1, pp 952 10000 Zagreb Croatia

Tel: +385 (0)1 4813 913 Fax: +385 (0)1 4813 096 Cell: +385 (0)91 1950 073

Enclosed documents:

- 1) Photographs from citizens' demonstration outside Zagreb City Council offices, 29.05.2007
- 2) Breaches of Croatian and EU legislation and the EIB's Environmental Statement 2004 in the Zagreb incinerator project development process



Zelena Akcija Frankopanska 1, PP 952 10000 Zagreb Hrvatska

Breaches of Croatian and EU legislation and the EIB's Environmental Statement 2004 in Zagreb incinerator project development process

Firstly, it should be noted that Croatia's Regulation on Environmental Impact Assessment does meet the requirements of EU Directive 97/11/EC as there is usually no scoping process and EIA process effectively begins only when a study is completed. Therefore even EIA process meeting Croatian standards do not necessarily comply with the EU EIA Directive, as they sh according to the EIB Environmental Statement 2004.

After the rejections of the 1st and 2nd versions of the EIA in 2004 and 2005, it was only coincidence that in June 2006 Green Action heard unofficially that a 3rd version of the EIA ready. Repeated attempts were made to find out when the legally stipulated public consults period would take place, through telephone calls to the City Council and the Ministry of Environment. When these failed to produce a satisfactory answer an official information req was sent to the Ministry on 26th July, which was left unanswered for over a month, thus breal the Freedom of Information Act (Official Gazette No. 172/03) requiring an answer withir working days.

On 29th August a media report stated that the EIA had been approved, and Green Actelephoned the Ministry of the Environment to find out whether it was true. The Ministry fir replied to the information request on 5th September, saying that the EIA had been approved, no information on when or whether there had been a public consultation.

On 13th September Green Action sent a request for the approval document for the EIA to Ministry. The Ministry again broke the Freedom of Information Act by failing to provide information within 15 working days, and only provided it after an official complaint had been minimum The document revealed that:

- The 3rd version of the EIA was completed in April 2006 and amended in July 2006
- In April 2006 a new EIA review commission was formed
- The EIA was approved on 21st July 2006
- The public consultation cited in the approval was that from 2005, even though rest of the EIA process, including the selection of a review commission, was sta from the beginning in 2006.
- Many of the points outlined in the approval conditions show that key concerns regarding
 plant have not been adequately dealt with, particularly regarding the ash resulting from
 incinerator. Indeed several of the grounds for rejecting the 2005 EIA have not b
 addressed, yet it has not been explained why they are no longer grounds for rejection.
- Public meetings about the incinerator, as well as other 'information' activities, are me added into the approval as activities that must be done before the incinerator begins operations. These have no value as a public consultation whatsoever as there is mechanism by which opinions expressed during this period could be taken into account

After assessing its options, in November 2006 Green Action filed a complaint with administrative court in Zagreb with the aim of annulling the EIA approval. It is not yet kn whether the complaint has been accepted.