

The request for the suspension of the credit arrangement with energy company IC MB "Kolubara" for ENVIRONMENTAL IMPROVEMENT PROJECT IN KOLUBARA MINING BASIN

Local Community of Vreoci,
Belgrade city municipality of Lazarevac
Republic of Serbia

Date: 02.04.2012.

To:
European Parliament

Dear Sir/Madame

We address you for the constant and increasing violations of human and property rights by the Public Company Mining Basin "Kolubara" – Lazarevac that has applied and signed the credit arrangement regarding the Environmental improvement project in Kolubara mining basin (Project ID 41 923 EPS Kolubara Environmental Improvement).¹

With regret we want to state that the attitude of the mentioned company since our first addressing to you on 05.08.2011. has not changed in no way for the better. Planning documents – Program basis for the relocation of settlements in Vreoci from 12.11.2007² and General Regulation Plan for the settlement Vreoci³ are still not respected. On the field and in the reality there is a gross violation of the dynamics of the process:

1. Delay of the relocation:

Considering that the dynamics of moving of the households is behind the schedule, as determined in the "General Regulation Plan for the settlement Vreoci", there is a situation where the speed of the execution of technical works related to the relocation of the transport and energy infrastructure necessary to expand the open pit mines has surpassed the planned eviction of households, so during the installation of power transmission lines of 110 and 35 thousand volts (110 and 35 KV) diagonally through the center of the village over the households, foreseen for final eviction in 2011, households are still inhabited.

Regarding this issue Local community Vreoci has during the public insight in the Spatial plan of city municipality of Lazarevac with the Report of the Strategic environmental assessment,⁴ submitted an complaint. After the public meeting held on 31.01.2012, the Planning Commission of the City Administration of Belgrade, which was formed in accordance with the Law on planning and⁵, discussed the submission of complaints by the stakeholders– including one from Vreoci representatives, and have accepted complaint of Vreoci community about the terms for the transmission lines. Underlying

¹ <http://www.ebrd.com/english/pages/project/psd/2011/41923.shtml>

² (Board of directors decision PE "EPS number I-925/3 from 12.11.2007. which was approved by the Serbian Government 05 No. 310-5277/2007-3 22.11.2007)

³ (from 17.12.2008. number 145/2008-XI – "Official Gazzete of the City of Belgrade" 54/08)

⁴ Prepared from the side of Secretariat for urban planning and construction of the City Administration of Belgrade

⁵ construction ("Official Gazette of RS", no. 72/09, 81/09, 64/10 and 24/11) in a closed session 02.02 .2012 (174th Session)

plan will be amended after our complaint with: "For the power lines voltage of 35kV or more it is necessary to develop special urban documentation in accordance with law".

The final version of the underlying Spatial plan with the Report about the public insight will be submitted to the City Council of Belgrade in order to accept it, after which it will be directed to the Belgrade City Council for consideration and adoption; this is clearly showing that the current documentation was prepared illegally!

2. Negligence of the company about the environmental, infrastructure and utility conditions of life in the village during the process of moving to the end of the Project:

Most pressing issues regarding condition of environment in Vreoci community are as follows: Noise, dust, vibration, fumes, the unresolved problem of waste water from industrial plants from Kolubara-processing plant, electromagnetic radiation from the power lines above heads of inhabitants, deterioration of roads in village by transport trucks and machinery of IC MB "Kolubara" (Kolubara uses public roads as internally industrial infrastructure but without providing resources for their maintenance).

Waste water – still the unresolved problem of waste water from the plant "Kolubara processing" that flows out from the factory untreated, uncooled, un-piped, while the filter sedimentation tank of waste water is in the center of the village– contrary to all technical regulations and applicable laws– from which wastewater is released into the river Kolubara (we have video footage).

Heavy machinery of Public company Mining Basin "Kolubara" passes by our houses as this is already an open pit mine, and not an inhabited town. On this issue we addressed the Manager General of PC MB "Kolubara" on 04.01.2011: immediate cause for this move was the passage of trucks heavier than 5 tons on the streets of Vreoci although forbidden by traffic regulations notified by the traffic signs. Problems that occur on the field are:

Falling of dangerous materials from trucks and trailers, damages on the communal roads, danger for the children and pedestrian for the reason of massive scale of industrial traffic few meters from houses, school and other

Also the passage of such machinery is contrary to republican law on environmental protection, due to toxic materials transported without specially precautionary measures, in trucks without a tarpaulin.

3. Discrimination of vulnerable inhabitants of Vreoci in becoming employed by “ Kolubara” mining company, contrary to the undertaken commitments:

Regarding this issue we addressed the Director of IC MB "Kolubara" in writing on date 05.01.2011, and to this day we have not received an answer, although **the obligations of employment of vulnerable citizens** from the territory of LC Vreoci, confirmed in a document of IC MB "Kolubara": Relocation of the settlements in Vreoci 26.11.2011 under Item 3 – "Employment of unemployed persons from Vreoci."

4. Withholding of financial support to the local community and civic associations of Vreoci:

Decision of PC Kolubara from to take over the costs of the local community of Vreoci, starting from 01.01.2011, which is in accordance with the planning regulations issued by the Monitoring Committee for the relocation of Vreoci. ⁶ This issue has become especially relevant after the statement of Mrs. Vukica Popadić – Assistant Director of PC MB "Kolubara" for environmental protection, stated at a public consultative meeting in February 2012⁷: "that PC MB "Kolubara" is a socially responsible company because last (during 2011) year "Kolubara" has approved donations in the amount of 1,300,000 €"; after such presentation of the "Kolubara" manager for environment, President of the Council of LC Vreoci Mr. Zeljko Stojkovic stated "that PC MB "Kolubara" is not a socially responsible company because as a beneficiary of the expropriation, violates the rights of the population covered by the plans for social displacement, contrary to the positive examples of business practices, norms of EBRD and obligations undertaken in the Stakeholder engagement Plan ⁸"; **after such discussion we got impression that the reason for failure to comply with obligation to support financially work of local community in Vreoci is not lack of money, but the intention to shutdown the local community which is struggling for protection of rights of Vreoci community.**

5. Failure to comply with the Law on Expropriation:

Implementation of the principles of contractual relocation – by paying up to 30% of agreed sums to people that should be relocated without clear guarantee that remaining sum will be paid off in some reasonable time "Kolubara" is braking its legal obligations from Serbian Law on expropriation.

6. Devaluation of property:

By payment of amounts significantly smaller than the market value of land contrary to the Law on planning and construction, PC MB "Kolubara" acquires unlawful material gain at the expense of the citizens of Vreoci⁹. Also, extensive material has been submitted to the Special Prosecutor Mr. Mirko Radosavljevic in a special department for organized crime, the High Court in Belgrade about organized crime in PC MB "Kolubara" regarding the illegality of the expropriation procedures in Vreoci.

7. Failure to comply with the Law on cemeteries and burial grounds (Art. 18–20):

Forcing people to agree to exhume their passed away relatives before they make the expropriation of property (houses in village), so before they are able to know where their new residence will be, as the location for a collective move of Vreoci is not yet established. Around 120 court cases have been raised in the Administrative Court relating to the attempt to cancel decisions for illegal and forced excavation and transfer of remains from Vreoci cemetery to cemetery Lazarevac 2 – Šopić).

⁶ on a session on 17.11.2010 under the 3rd agenda item - conclusion No. 7, and PC MB "Kolubara" reaffirmed on session from 26.11.2010

⁷ Climate change, energy and the environment (CCEE) organized by: CEKOR & Rockefeller Brothers Fund held on 21.02.2012 ,

⁸ (PC MB "Kolubara" - PE EPS, February 2011)

⁹ (filed a criminal complaint to the Higher Public Prosecutor's Office in Belgrade on 30.11.2011, the case No. KTR - 4468 / 11)

8. Failure to meet the most important request of local community: collective relocation to preserve the entity of the local community and the continuity of its existence:

The situation on the field is such that in practice the obligation of determining the location and construction of new settlements with the objects of public infrastructure is not respected. Proposed location for relocation will not allow collective relocation of whole village and its social infrastructure. Therefore we are convinced that management of PC Kolubara is intending to relocate citizens individually or in small groups against will of community.

From all of the foregoing it is evident that the mining company PC MB "Kolubara" contrary to law and positive examples of business practices realizes their interests in violation of the law and European conventions guaranteed human, property and social rights of local people and communities affected by need of company to extend its mining operations

Our requests:

We expect you to react on all the listed grave violations of our rights and to request management of EBRD to stop loan to PC Kolubara (and state of Serbia) until preconditions for its disbursal are met and our individual and collective rights are protected and our demands respected. We call you to request conditioning of further involvement of EBRD with Serbian Electricity Company (owner of Public Mining Company Kolubara) until rights of local communities in surrounding region are fully protected

Sincerely

President of the Council

Željko Stojković, s.r.

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