## How it all began

The signatures of the most famous businessmen in 1913, led by George Weifert and Ferdinand Gramberg, were freshly dried on paper showing the figure of 4 MILLION dinars at the time, divided into 4,000 shares. The curiosity is that the founding assembly took place in Weifert's office in Belgrade and that the ironworks was initially a Belgrade company, registered with the First Instance Commercial Court as the "Serbian Joint Stock Mining and Smelting Industrial Association" – SARTID. Another curiosity, the geographical one, predestined the location of that company in Smederevo. Great position in the Moravian-Vardar valley, the Danube as an international river, a crossroads and the proximity of Belgrade – the choice was easy.

The first plants built had very limited possibilities and were located near the present-day center of Smederevo, along the Danube, and today that factory is colloquially called the Old Ironworks. Its capacity until the war was from 20,000 to 100,000 tons of steel per year, which could not accompany the subsequent rapid industrialization and the need for steel. That is why at the beginning of the sixties, the idea came to build a completely new factory, 5 km outside the city, in the area of the village of Radinac, which will have a capacity of 1.5 million tons of steel a year. The new name of the ironworks was Metallurgical Plant Smederevo (MKS), and in the 1990s the name SARTID was returned, until the privatization in 2003, when the factory was named US Steel Serbia.

When he defended his doctorate in 1965 on the topic "Contribution to the fight against dust in mining and metallurgy", Dr. Miodrag Čeperković – the leader of the construction of the Smederevo ironworks and its first general director – knew well what the consequences of that project would be. On the one hand, it was a huge boost to Yugoslav industry, which was extremely potent in the 1960s, and on the other hand, it meant terrible pollution of all environmental media in the Smederevo region – air, water and land. The nineteenth-century romance of Obrenović, who chose Smederevo as their summer house and proudly flaunted the world with the pelcer of Smederevo grape vines – was destroyed under the force of ore, slag and steel, and the city of grapes magically became a city of iron by political decision.

## **Ironworks after 2000**

The privatization of the ironworks is one of the controversial privatizations that took place after 2000, and we will probably never know the extent of the machinations in that process. What was most important for Smederevo and Smederevo at the time was the arrival of the American company US Steel, which bought the factory for 23 million dollars, with all the accompanying plants in Smederevo, but also throughout Serbia. The new owner has



committed to invest \$ 150 million in working capital, rehabilitation, improvement and modernization of equipment in the next 3 years. It is anticipated that in that period, 5 million dollars will be invested in the development of the municipality, charity and sports activities. It was also promised that the number of employees would not be reduced. The Americans largely agreed and complied, they significantly raised salaries, safety at work, and also invested tens of millions of euros in new technology. However, what followed was a large increase in production, which led to greater air pollution, but also water and land. The study "Impact of the Smederevo Ironworks on the quality of the environment and the possibility of its improvement through the monitoring system", which was published by Serbian researchers in 2014, showed shocking data. Namely, out of 27 villages in the region of Smederevo, the largest number of people suffering from malignant diseases is in Radinac, the village where the Smederevo Ironworks is located.

Also, the rapid growth of patients in the whole of Smederevo has been shown since 2004, and we will remind you that US Steel took over the factory in 2003. The study explicitly concluded that "air pollution in Smederevo is directly related to respiratory and malignant diseases."

With the increase in production came another problem, and that is the accumulated waste slag which is a by-product of production. The slag was primarily accumulating in the area of the factory itself, but it also started to be dumped in the areas of the surrounding villages, which resulted in a complete ecological catastrophe. After 2016, the Chinese company not only continued with the practice of throwing slag into the villages, but in the last 3 years, the Smederevo Ironworks made a huge hill of waste slag 100 meters from the Danube riverbed, with an area of 6 football fields. According to the reports of Trampoline for 2018 and 2019, Radinac was both times marked as one of the 10 black spots in Serbia with physical and chemical irregularities in drinking water.

An important moment in increasing the negative impact of the Smederevo Ironworks on the environment is the period from 2012-2016. year, when the ironworks was under state control. In 2012, the state bought the ironworks from the Americans for 1 dollar in order to save the jobs of its employees. For the needs of "guarding" the ironworks, professional management has been hired. The epilogue was between 100 and 150 million euros in losses each year, which by 2016 was more than half a billion euros in losses. The financial report of the Smederevo ironworks for 2013 reveals the following thing: the net loss of the ironworks that year was 14,966,335,000 dinars, which is 130 million euros at the then exchange rate! If we continue with the calculation, we get even more shocking data – since 5,036 workers were employed in 2013, each worker cost the state 26,000 euros a year, or



about 2,200 euros a month. The situation was economically unsustainable. In addition, the filter system and technology have not been maintained and have completely failed, which will later have terrible negative externalities on the environment and the health of citizens. Then the well-known "steel friendship" between the political leaderships of Serbia and China came on the scene, where the Chinese were clearly informed from the beginning that they would not have to respect the law and adjust production to the regulations of the Republic of Serbia.

## Brother Si and a Chinese steel hug

The Chinese took over the Smederevo ironworks triumphantly in the presence of Chinese President Xi Jinping and a manifestation reminiscent of North Korean celebrations. This was important not only for China, which gained entry into the European market, and not only for Serbia, which received security and a solution for many years of huge losses with this company, but also for the West, which did not look favorably on this arrangement. The European Association of Steel Producers "Eurofer" is worried about the possibility that China will use the ironworks in Serbia to sell cheap steel in Europe without hindrance. The Director General of "Eurofer" Axel Eger criticized the Chinese investment in Serbia, saying that Chinese state subsidy ", so that China could bring its steel to Europe via Smederevo. The European Commission has even conducted an anti-dumping procedure regarding the import of hot-rolled steel products from Serbia, and a serious debate has been opened in the countries of Western Europe. However, it seems that it was decided to look through Serbia's fingers, probably due to the specific situation and the political context in which Serbia finds itself.

## **Environmental problems and possible solutions**

The ecological problems of Smederevo are great and are not only of industrial origin, there is a significant impact of individual furnaces and boiler rooms on fuel oil, when it comes to air quality, which according to the Environmental Protection Agency is assessed as "excessively polluted". in the third, worst category. When it comes to water pollution, it is important to point out that the Fortress Movement addressed a complaint to the International Commission for the Protection of the Danube in Vienna, regarding the inadequate disposal of waste slag by the Smederevo ironworks. In addition to air and water, land is also a serious problem, especially in the villages around the ironworks, from whose fields fruits and vegetables are placed on the Smederevo market. Our informal findings show that since the arrival of the Chinese company, and due to the record level of production, the level of people suffering from malignant diseases has jumped rapidly in the



period 2016-2021. The Fortress Movement requested that information from the competent institutions, but they refused to provide it to us.

Within a radius of 2 km around the Ironworks, which covers the villages of Radinac, Ralja, Lipe, Vranovo and Vučak, the entire area is covered with red and black dust, which has been endangering human health for years. It is a dust that is extremely greasy and shines like sequins, and the locals colloquially call it "steel dust". On July 30, 2020, when the whole of Smederevo, and not just the surroundings of the Ironworks - was covered with black powder. The Fortress Movement urgently submitted a report to the Republic Environmental Inspector, and it was established that the reason was inadequate transshipment of siderite ore, which endangered the health of citizens. This was the reason for the Fortress Movement to organize a civil protest in August 2020, in the form of a blockade of the Port of Smederevo, which was given for use to a Chinese company. The protest was attended by about 500 citizens, but also by many domestic and world media, which additionally drew attention to the problem. In parallel with the protest, the Fortress worked on the institutional level, addressing all relevant domestic and international institutions. When we talk about solutions, it is crucial that the state ensures compliance with the laws that the Chinese company violates on a daily basis, with clear sanctions for that. Also, the state must order HBIS to invest money in modernizing the technology. If we talk about short-term solutions, the Fortress Movement has proposed, within its campaign PVO (Against Air Defense) six concrete solutions:

-Installation of filters on plants

-Mandatory tarpaulins on trucks transporting slag

-Planting a wide green belt around the Ironworks

-Installation of water cannons

-Construction of two bicycle paths towards Zelezara

-Prohibition of inadequate slag disposal

These are relatively cheap and easy to implement solutions, compared to the consequences for human health, which consequently has a negative impact on the health system of Serbia. Private profit is important, as is the fact that the company achieves record production, but it is disastrous to be guided solely by profit, and to neglect human health and the environment. Sustainability and balance is what we must insist on, whether it is foreign or domestic pollutants.

Source: talas.rs