

Zijin Mining Group's takeover of the Bor Mining Complex shows the dangers that pursuing mining projects in countries with weak rule of law poses for individuals' right to property and a clean, safe and healthy environment.

Located in eastern Serbia, Bor is home to one of the largest copper reserves in the country and in the world. The Chinese company Zijin Mining Group, as a strategic partner of the Serbian government, planned to produce 55,000 tonnes of copper concentrate and 90,000 of copper cathode in 2020. One of the most contentious mines is Veliki Krivelj, an existing open cast mine located in a village of the same name, about 10 kilometres from Bor. In the last decade, Serbian mining and spatial planning legislation has increasingly enabled the Government of Serbia to issue some of the necessary permits for 'preparatory works for opening of exploitation of mines' without requiring an environmental impact assessment (EIA) or the consent of local communities, both of which are required before issuing exploitation permits. This has led to the direct and systemic violation of the rights of the population to say no to any mining operation. As such, a temporary permit allows for serious exploitation works, and it has become very hard to stop the commissioning of the mine. At the Cerovo mine, near Veliki Kriveli, a Chinese company forcibly took the property of five inhabitants and opened the mine without a permit, a developed spatial plan or an EIA for that plan. The expansion of Veliki Krivelj, even with its enormous future potential, is one of the most problematic mine expansions in Serbia. One of the most important questions is how to protect the Timok River, where inflows from the Kriveljska and Borska Rivers carry pollution from the mines, smelters, flotations and other polluting sources in the mining complex. Kriveljska and Borska are among the most polluted rivers in Europe. Serbian legislation requires that a special spatial plan for specific aims is developed prior to the expansion of any mine. Development of this plan for the mining complex in Bor and Majdanpek started in 2020. But in 2019 and 2020, Zijin had already started attempts to obtain the properties necessary for the extension of Veliki Krivelj. It has thus far only proposed buying those properties that are a few meters from the mine. However, if the mine is expanded as proposed, more than 300 households will be located in the heart of the mining operations - surrounded by constant explosions, vibrations from mine equipment, large trucks and dust from mining and transport. Houses and other structures in the village have already been damaged by mining operations in 2018 and 2019. In 2020, villagers from Veliki Krivelj, Ostrelj and Slatina held several meetings with the representatives of Zijin, the Government of Serbia and the Serbian President's office. They repeatedly asked the same questions: who will protect them from the negative effects of

mining, who will protect their properties, and why doesn't Zijin pay the regular market price



## for the properties?

Residents of the village of Krivelj also held a protest where they demanded the relocation of all 400 households of their village. Speakers stated that it is already impossible to live in villages around the mines, and they cannot imagine what it will be like when new mines will open. A representative of the communal council of Krivelj, Mr Dalibor Stanković, stated: 'Many houses have cracks on the walls and foundations, and some roofs collapsed, dust covers the village on three sides, while the river is polluted with acidic mine waters.' In 2020, citizens of Bor also protested against excessive pollution, which they claim has intensified since Zijin became the mine's owner. In fall 2020, Bor's municipal administration filed a criminal complaint against the managers of the Zijin for causing excessive sulfur dioxide pollution that is harmful to the health of the population. The Environmental Protection Agency's (SEPA) measuring stations had recorded excessive sulfur dioxide pollution in Bor for three consecutive days, and there have been similar levels of pollution almost every day for nearly two years since Serbia sold Bor Smelting Company to Zijin. The level of sulphur dioxide in the air allowed by law is 350 micrograms per cubic metre, but on some days, average values in Bor reached 1,969 micrograms several times during the day. The conclusion was that the air is 'very polluted' and residents were advised against leaving their homes. The air is also 'heavily polluted' by PM10 particles.

In September 2020, Zijin's smelter temporarily halted operations due to the excessive air pollution. The results of a pilot study conducted by the SEPA about the impact of industrial pollution on the health of the population in Bor, published by the Institute of Public Health of Serbia Dr Milan Jovanović Batut, show that the city's residents are at a significantly greater risk of disease and death from cancer, and there is a higher risk of premature death from other diseases. Arsenic pollution in Bor increased by 323 times in August 2020. In October 2020, the Commercial Court in Zaječar ruled that the company Zijin Bor and one of its managers are responsible for the pollution in Bor in November 2019 and January 2020. The verdict is not final, because both parties have filed appeals – the last word will be given by the Commercial Court of Appeals in Belgrade.

Despite this ruling, the fine that Zijin will need to pay (about EUR 4 000) will be so small that it is expected that the company will continue to pollute. Thus, in Serbia, private and public mining companies are able to open mines without resolutions on property rights disputes, EIAs for mines or exploitation permits. Such cases have occurred and are ongoing not only at Bor's copper mines, but also at the Kolubara and Kostolac coal mines and Vojvodina's oil extraction fields.

Source: bankwatch.org



## Strategic copper mine in Serbia violates property rights and environmental standards