STATE SECRETARY CABINET

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To: Mr. Romas Svedas
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Ref: EIA/IC/INFO/27 Serbia: extension of Drmno lignite pit mine

Dear Chair,

In your letter of 20 December 2018 you invited the Government of Romania to provide the Committee with relevant information concerning the project on the extension of the open-pit mine at Drmno, Republic of Serbia.

In order for the Committee to continue its consideration of the matter at its forty-fourth session (Geneva, 12 to 15 March 2019), I have the honour to provide the following required information and clarifications requested to the Government of Romania:

(a) Whether it was previously officially informed about the extension of the open-pit mine at Drmno.

In February 2015, based on an information received from an NGO, Romania sent a letter to the Ministry of Agriculture and Environmental Protection in Serbia, expressing the wish to be notified in accordance with article 3 of the Espoo Convention for two projects, one represented by the planned construction of a new lignite power plant at Kostolac and the other by the expansion of lignite pit at Drmno (see attached letter ref. 1369/GLG/26.02.2015).

In response to this letter, in April 2015, Serbia mentioned that the planned construction of a new Unit B3 of 350 MW at Kostolac, was in accordance with the Spatial Plan of the Republic of Serbia and the Energy Development Strategy of the Republic of Serbia by 2025, with projections up to 2030. Also it was mentioned that the new proposed thermal power plant B3 will be supplied with lignite from the existing pit Drmno, which also supplied the existing blocks B1 and B2. To this end it was envisaged the extension of Drmno pit production capacity with 3,3 million tons for Unit B3.

At the same time, it was specifically mentioned that the expansion of the lignite pit Drmno was not included in the EIA Study for the construction of thermal block B3, which was approved in December 2013, and that the expansion of the Drmno pit was a separate project requiring permit
and approval procedures to be conducted in accordance with appropriate regulations, separately from the concerned project which referred solely to the construction of thermal block B3.

Following the ruling of the Administrative Court of the Republic of Serbia on a NGO appeal, Serbia was obliged to repeat the EIA procedure, comply with art. 3 of the Espoo Convention and notify the neighboring countries, including Romania (see attached letter ref. no. 337-00-123/2015-17).

Romania was then notified accordingly in June 2016 and a Notification form to an affected Party was submitted (see attached letter ref. no. 353-02-00798/2016-16).

Also, in June 2016, Serbia informed Romania on the responses to the Questions related to the Environmental Impact Assessment of the project for the construction of TPP KO B3, in accordance with Espoo Convention, at the request of the Implementation Committee on 7 April 2016 (see attached letter ref. no. 353-02-00798/2016-16 from 20 June 2016).

The questions asked by the Implementation Committee and the answers given by Serbia were related specifically to the expansion of the lignite mine at Drmno. It was mentioned that the Decision of the competent authority no. 353-02-901/2013 would apply and sets out that there is no need to develop a EIA Study for the extension of the mine production from 9 to 12 million tons/year.

As a conclusion, Romania was not officially informed about the extension of the open-pit mine at Drmno as a distinct project. Instead, Romania was notified and participated in the transboundary procedure under provisions of the Espoo Convention for the project "Construction of new Block B3 at Thermal Power Plant (TPP) Kostolac B". During this procedure, information on the extension of Drmno mine was given on the Romania's request, as answers to the questions addressed by the Romanian authorities and interested public, including by Bankwatch Romania NGO (questions and answers related to Drmno, respectively no. 2, 3, 4, 5, and 7 as can be seen in the two attached documents to this letter, namely "Answers to Romania's questions/comments regarding the Unit B3 construction project at the Kostolac location" and "Information regarding the report on Strategic Environmental Assessment for the Energy Sector Development Strategy of the Republic of Serbia by 2025 with projections until 2030").

The procedure ended in september 2017 with a public hearing organized in Romania and a round of bilateral consultations between Romania and Serbia in accordance with the art.5 of the Espoo Convention. A final Decision was issued by Serbia (see attached document ref. no. 353-02-00124/2017-16 from 28 September 2017, and especially pages 23,24 related to Drmno mine).

(b) Whether it held any discussions or exchanged information with the Government of Serbia regarding the activity.

As mentioned at paragraph (a), discussions and information exchange on the extension of Drmno mine were part of the transboundary procedure under provisions of the Espoo Convention for the project "Construction of new Block B3 at Thermal Power Plant (TPP) Kostolac B" and were not considered distinctly as a separate project.
(c) Whether it considered that Romania was an affected Party with regard to the proposed activity, taking into account a likely significant adverse environmental impact on territory of Romania.

As already mentioned extensively at paragraph (a), Romania was notified and participated in the transboundary procedure under provisions of the Espoo Convention for the project "Construction of new Block B3 at Thermal Power Plant (TPP) Kostolac B", information regarding the extension of Drmno mine being included within this transboundary procedure and not considered distinctly as a separate project.

(d) Whether it requested the Government of Serbia to be notified about the activity according to the provisions of the Convention or entered into discussion on the matter previously.

As also mentioned extensively at paragraph (a), Romania expressed the wish to be and was notified and participated in the transboundary procedure under provisions of the Espoo Convention for the project "Construction of new Block B3 at Thermal Power Plant (TPP) Kostolac B", and did not enter previously into discussions regarding the extension of Drmno mine.

(e) If it considered that Romania could be potentially affected but was not notified, please indicate whether the Government of Romania intends to make use of the mechanism provided for in article 3, paragraph 7 of the Convention.

Romania does not take into consideration making use of the provisions in article 3, paragraph 7 of the Convention, because the environmental impact of the Drmno mine extension was addressed in the EIA Study for the project "Construction of new Block B3 at Thermal Power Plant (TPP) Kostolac B".

We hope that the required information provided to the Implementation Committee will assist the Committee’s consideration on this matter at its forty-fourth session.

Please accept, Mr. Chair, the assurance of my highest consideration and esteem.

Yours sincerely,

State Secretary

Laurenţiu Adrian NECULAESCU

Romanian Presidency of the Council of the European Union