

# Region: Eight environmental organizations urge EU to stop Chinese project which violate environmental regulations

**Categories :** [SEE Energy News](#)

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This statement is primarily related to the construction of coal-fired power plants in 27 EU member states, as well as Western Balkan states.

According to CEE Bankwatch, Chinese state-owned companies have been particularly active in south-east Europe in recent years. Contracts have been signed to build four new and rehabilitate two existing coal-fired power plants. At least three more MoUs for new coal-fired power plants have been signed. Chinese companies have also bought the Smederevo steel plant and the Bor copper mine, and are planning to build a tyre factory in Zrenjanin, all in Serbia.

Despite Chinese policy guidelines requiring compliance with host country legislation, most of the projects breach national and EU environmental, procurement and state aid laws. For example: none of the projects are in line with the latest EU pollution control standards, the so-called LCP BREF, from 2017, most have very weak environmental assessment studies, and the Drmno coalmine expansion in Serbia had none at all. TPP Tuzla unit 7 project in Bosnia and Herzegovina has become notorious due to a state loan guarantee that is now subject to an infringement procedure by the Secretariat of the Energy Community Treaty due to state aid violations.

The EU must clearly tell China to stop building new coal-fired power plants in the EU and accession countries. Together with the compliance with EU law, it must be set as a binding condition in the talks on a comprehensive agreement on investment (CAI). They also called for improvements in law enforcement in accession countries, including by strengthening the Energy Community Treaty to enable penalties to be issued, and for the introduction of a carbon border tax for electricity to help reinforce the message that coal is no longer economic.

The statement was signed by CEE Bankwatch Network, Climate Action Network Europe – CAN Europe, Sustainable Energy (VedvarendeEnergi), Center for Ecology and Sustainable Development (CEKOR), Center for Environment and Eco-team from Montenegro.