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RusAl Makes Cleanup Pitch for Norilsk
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United Company RusAl, the world's largest aluminum producer, offered to pay for a feasibility study to clean up the Russian smelters of Norilsk Nickel, in which it owns a 25 percent stake.

"RusAl, as a shareholder, is seriously concerned with the environmental situation relating to production activities at Norilsk's facilities in Russia," Alexander Bulygin, chief executive of RusAl, said in an open letter to the new CEO of Norilsk, Vladimir Strzhalkovsky.

Norilsk, also the name of the town above the Arctic Circle where Soviet convicts dug nickel mines and built smelters, was named last year as one of the world's 10 most-polluted places by the Blacksmith Institute, a New York-based nongovernmental organization. The nickel company said in September that it began working with the institute to tackle the environmental problems.

Norilsk needs a large-scale environmental modernization plan, RusAl said. The aluminum producer is ready to prepare and fund the feasibility study for such a program, the letter said.

"Norilsk Nickel is already realizing its own ... environmental program," the company said in an e-mailed statement. "The company will earmark 36 billion rubles [$1.5 billion] on its environmental activities ... from 2007 to 2012.

"RusAl has intentionally or unintentionally used the wrong data," the statement added.

The Siberian city of Norilsk, home to 130,000 people, came under scrutiny from Russia's environmental inspectorate last year. The watchdog disputed the legitimacy of the waste-discharge figures a Norilsk unit had submitted.

The aluminum company wants the environmental issue to be openly discussed to avoid Norilsk Nickel's "practice of decision making behind the scenes," the letter said.

RusAl said in June last year that it would spend $1.4 billion to halve pollution from aluminum smelters by the middle of the next decade.