

Dvorkovich: Baikalsk Mill to Be Closed

By [The Moscow Times](#)

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The factory at the center of an almost 30-year-long campaign by environmental activists will finally be closed, Deputy Prime Minister Arkady Dvorkovich said Wednesday.

The Baikalsk Pulp and Paper Mill, on the shores of Lake Baikal, is the biggest employer in the town of Baikalsk, and then-Prime Minister Vladimir Putin personally ordered it to be reopened two years after manufacturing was suspended in 2008.

"We have made a decision about the gradual closure of the Baikalsk Pulp and Paper Mill and the transfer of essential production to other factories," Dvorkovich said, RIA-Novosti reported. "It's a complicated process, but over the course of a few years we might be able to accomplish it."

Opened in 1966, the mill was first targeted by environmentalists concerned about the risks of pollution to the pristine Lake Baikal during the 1980s. It has long dumped wastewater and effluent into the lake.

The news of the closure was hailed by environmentalists.

"Baikal Pulp and Paper Mill worked in terrible conditions," activist Yevgenia Chirikova told Moskovsky Komsomolets on Wednesday. "When we went to court over its work, we presented the results of expert research, which showed that the mill was dumping very harmful dioxides."

Greenpeace announced the imminent closure of the mill Tuesday, quoting Dmitry Sheibe, the chief executive of a company leading the effort to resolve the plant's situation. The process of shutting it down will take at least two years, he said.

Previous reluctance to close the mill was linked to the large number of jobs it supports in Baikalsk. It employs more than 1,000 people in the town.

Aside from the mill's environmental problems, it is also bankrupt. Vneshekonombank, the state development bank, is the largest creditor and in charge of restructuring operations. Debt exceeds 1.3 billion rubles (\$42.5 million).

A majority stake in the Baikalsk Pulp and Paper Mill is held by companies controlled by Nikolai Makarov, an associate of billionaire Oleg Deripaska. The government controls the remaining 49 percent of the enterprise.

The mill was ravaged by a fire earlier this month and is not functioning now.

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