

Arctic Spill Fuels Calls for Shakeup at Russian Mining Giant

By <u>AFP</u>

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President Vladimir Putin declared a state of emergency after 21,000 tons of diesel leaked from a fuel storage tank at one of Norilsk Nickel's subsidiary plants in the Arctic in late May. **Marina Lystseva /TASS**

Russian mining giant Norilsk Nickel faced pressure from a key shareholder on Tuesday to overhaul management after disasters including a massive Arctic fuel spill that sparked a state of emergency.

Aluminum producer Rusal, which owns 28% in Norilsk Nickel, said it was "seriously concerned" over recent environmental accidents in the Russian Arctic and called for a shakeup in management.

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"What is currently happening at Nornickel invites to seriously question the competence of the company's management as well as their suitability to be in charge of running the business," Rusal said in a statement.

It also criticized the management's "collective inertia" that it said was likely to lead to "damaging criticism from the environmental and investment communities."

President Vladimir Putin declared a state of emergency after 21,000 tons of diesel leaked from a fuel storage tank at one of Norilsk Nickel's subsidiary plants in the Arctic in late May.

A massive clean-up effort involved trapping floating diesel with booms on crucial waterways to prevent it flowing into freshwater lakes.

Greenpeace Russia described it as the first large-scale spill in the region beyond the Arctic Circle and Putin has said he expected Norilsk Nickel to fully restore the environment.

On Sunday, the company announced that nearly 45 tons of aviation fuel spilt from a pipeline belonging to one of its subsidiaries near Norilsk.

It said the leak, which lasted around 15 minutes during an oil transfer, posed no threat to people living in the area.

Last month, the company announced it was suspending employees at an enrichment plant near Norilsk after they pumped wastewater from a dangerously full reservoir into nearby tundra in a "flagrant violation" of protocol.

Rusal on Monday said it was calling on Norilsk Nickel to move its headquarters from Moscow to the Arctic city of Norilsk – – the site of several recent environmental accidents including the fuel spill.

In the statement, the aluminium producer appealed to Norilsk Nickel to overhaul "corporate policies towards environmental and safety issues."

Russia's environmental watchdog Rosprirodnadzor fined a Norilsk Nickel subsidiary 147.8 billion rubles (\$2.05 billion) over the spill, but the company is contesting the sum.

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