
O tempora,
o mores!

O tempora, o mores!

Case study on the construction of the tire factory in Zrenjanin #2

RERI
Renewables and Environmental Regulatory Institute

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O tempora, o mores!

1 *O tempora, o mores (loosely translated: Oh the terrible times, oh the corrupt customs) is a Latin saying that is used as an exclamation of despair due to a severe lowering of the prevailing social or political norms. It is believed that the saying originated from Cicero who thus criticised the malice and corruption of the time of Lucius Sergius Catilina who tried to overthrow the Roman Republic.*

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Introduction

From the announced largest investment in Vojvodina, from which the whole of Serbia will greatly benefit, the construction of the tire factory of the Chinese company Linglong in Zrenjanin turned into a two-year affair filled with violations of a large number of regulations, abuses of public authority, ignoring civil rights and unprecedented leniency of public authorities towards foreign investors. Unauthorised state aid was approved to the investor, the Linglong International Europe Ltd. Zrenjanin company. The company received a gift containing 96 hectares of agricultural land in the free trade zone – which implies further tax and customs relief for the investor. Construction without a construction permit and violation of environmental impact assessment procedures, which continues consistently, cast a shadow of corruption on this project which, according to the announcements of the President of the Republic, the Government and the leadership of the City of Zrenjanin, was supposed to initiate development in the Central Banat Region and Vojvodina.[2]

In this second study[3] on the construction of the Linglong tire factory, RERI describes the investigated and documented oversights, misuse and unlawfulness accompanying the construction of the tire factory in Zrenjanin. All the facts and conclusions presented by RERI in this study are the result of careful research and legal analysis, and the data is collected from public documents issued by competent authorities at the local, provincial and national levels. Certain events are described based on the testimonies of RERI members who participated in the occasion.

On the basis of the collected data and analysed documents, RERI concludes that the project is being implemented contrary to the applicable laws of the Republic of Serbia and with numerous examples of abuse that outline in great detail the layout of the trapped state we live in.

2 "Linglong" the largest and most significant investment in Vojvodina, Politika, 30 March 2019: *http://www.politika.rs/sr/clanak/426214/Lin- glong-najveca-i-najznacajnija-investicija-u-Vojvodini*

3 The first case study titled "Cui bono? – a case study on the construction of the "Linglong Tire" tire factory in Zrenjanin" describes the legal aspects and irregularities in the implementation of this project from March 2019, when location conditions for the construction of the fence were issued until 30 June 2020. The study is available on the RERI website: *https://www.reri.org.rs/wp-content/uploads/2020/07/ CUI-BONO%E2%80%93-Studija-slu%C4%8Daja-izgradnje-fabrike-pneumatika-Linglong-Tire-u-Zrenjaninu.pdf*

State aid for an already profitable project

State aid is a type of state intervention that supports economic development. In this regard, state aid is acceptable if it serves the purpose of achieving the public interest. However, support for a certain economic activity or market actor can distort market competition due to the fact that companies receiving aid from the state become more competitive than those who are not. As a result, state subsidisation of companies can pose a threat to the efficient functioning of the market.[4] Control of state aid in the Republic of Serbia is regulated by the Law on State Aid Control and by-laws adopted on the basis of it, the most significant of which is the Regulation on the Rules for State Aid Control. The Commission for State Aid Control[5], as an independent operational body of the Government, is responsible for controlling the harmonisation of state aid with the regulations governing this matter.[7]

On 5 June 2020, the Commission for State Aid Control[6] issued a decision confirming that state aid in the amount of EUR 83,490,605.00, granted to the Linglong International Europe Ltd. Zrenjanin for the construction of a tire factory in Zrenjanin, is in compliance with the rules for state aid granting.[8] **The purpose of the granted state aid**, according to the decision of the Commission for State Aid Control, is to *attract direct investment that leads to the stimulation of regional development in the Republic of Serbia*.[9] The Commission elaborated that *the state aid is awarded* ***for the purpose of improving the economic development of areas in the Republic of Serbia with an extremely low standard of living or a high unemployment rate***, while *the City of Zrenjanin is sorted into the second group of local self-government units whose level of development ranges from 80 to 100 percent of the national average.*[10]

Statistical data on employment and regulations governing the area of development of regions and local self-government units in Serbia do not confirm the conclusions of the Commission for State Aid Control.

Namely, the 2014 Regulation on the Establishment of a Unified List of the Development of Regions and Local Self-Government Units classifies the Vojvodina region into developed regions that achieve a value of gross domestic product above the value of the national average.[11] According to the Regulation, the City of Zrenjanin is classified within the second group of local self-government units whose level of development is in the range of 80 to 100 percent of the national average, which the Commission took into account when deciding. According to the aforementioned Regulation, the City of Zrenjanin, as well as Vojvodina, do not belong to insufficiently developed areas.

The state aid, granted by the state to Linglong International Europe Ltd., consists of two components: allocated funds in the amount of **EUR 75,823,900.00** (granted to it by the Ministry of Economy) and **96 hectares of land** owned by the City of Zrenjanin, the estimated value of which is EUR **7,666,705.00** (granted to company by the Republic Directorate for Property).

RERI's conclusion, based on the positive regulations of the Republic of Serbia, is that the **state aid** granted to the company Linglong International Europe Ltd. **was not granted in accordance with the Law on State Aid Control and the Regulation on the Rules for State Aid Granting**, for the following reasons:

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4 For more about the reasons for state aid control see: *https://ec.europa.eu/competition/state_aid/overview/index_en.html, 15.04.2021.*

5 Law on State Aid Control ("Official Gazette of the RS", No 73/19).

6 Until the Regulation on Conditions and Criteria for Compliance of Regional State Aid ("Official Gazette of the RS", no. 23/21) entered into force, the Regulation on the Rules for State Aid Granting ("Official Gazette of the RS", nos. 13/10, 100/11,91/12, 37/13, 97/13, 119/14) regulated regional state aid as well.

7 Article 10 of the Law on State Aid Control.

8 Decision of the Commission for State Aid Control No 401-00-0O049/2020-01/7 from 5 June 2020 ("Decision").

9 Decision, 5

10 Decision, 10

11 Regulation on the Establishment of a Unified List of the Development of Regions and Local Self-Government Units ("*Official Gazette of the RS*", no. 104/14)

1. The Commission wrongly treated two separate state aid measures as a single state aid

The state aid measure, which entails the granting of **96 hectares of land** owned by the City of Zrenjanin to the investor, without compensation, was implemented based on the provisions of the contract between the Republic of Serbia and Linglong International Europe Ltd. signed on 28 March 2019 and represents ***ad hoc* individual state aid**.[12] On the other hand, the measure that includes a subsidy from the budget of the Republic of Serbia in the amount of **EUR 75,823,900.00** is a measure that is granted in accordance with the approved state aid scheme.[13] Ad hoc individual aid to large companies entails **stricter economic and legal compliance control** compared to individual aid granted under an approved state aid scheme. However, the Commission wrongly treated these state aid measures cumulatively, before determining whether the measures, individually, were compatible with the state aid rules.[14] The Commission circumvented application of the provisions of the Law on State Aid requiring that the compliance of each state aid measure with state aid rules must firstly be determined. By evaluating two separate measures as one the state aid measure granted contrary to the law was "legalised" (transfer of property to an investor entailing 96 hectares of land without compensation).

2. Linglong was granted ownership of 96 hectares of land without compensation before the Commission assessed compliance with state aid rules

The Law on State Aid Control prescribes that *state aid that is subject to a reporting obligation cannot be granted prior to the Commission issuing an opinion or a decision assessing compliance with the rules on granting state aid.*[15] The state aid measure, which consisted of the transfer of 96 hectares of land to the ownership of the Linglong company without compensation, was implemented before the Commission approved it, that is before it was even informed about it.

3. Neither the state aid grantor nor the recipient reported entire aid received from the state

Neither the Linglong company nor the Ministry of Economy reported all aid received from the state: aid granted through long-term exemption from income tax[16] and duty-free imports[17], from land development contributions[18], and indirect state aid that Linglong received in the form of infrastructure constructed from public funds, which is predominantly directed at the needs of its investment.[19]

Finally, due to the previously described irregularities, the Commission used incorrect economic values to establish the maximum amount of state aid for a large investment project[20], and did not take into account tax advantages and other forms of fiscal benefits contrary to the Law on State Aid Control.[21]

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12 In March 2019, the Agreement on the alienation of real estate in public ownership was signed, by which slightly more than 96 hectares of land were transferred by direct agreement, without compensation, to the ownership of the company "Linglong International Europe" Ltd. The contract was signed by the directors of "Linglong International Europe" Ltd. and the Republic Directorate for Property of the Republic of Serbia.

13 The state aid was granted in accordance with the Regulation on Determining the Criteria for Granting Incentives to Attract Direct Investments ("Official Gazette of the RS", no. 1/19).

14 The Law on State Aid assumes that only harmonised and legally awarded state aid measures can be subject to legal cumulation.

15 Article 29, paragraph 2 and Article 30, paragraph 5 of the Law on State Aid Control.

16 Article 50a of the Law on Corporate Income Tax ("Official Gazette of the RS", nos. 25/01, 80/02, 80/02, 43/03, 84/04, 18/10, 101/11, 119/12, 47/13, 108/13, 68/14, 142/14, 91/15, 112/15, 113/17, 95/18 and 86/19) prescribes that the investor is exempt from the 15% profit tax for a period of 10 years (counting from the first year in which profits were made if they invest more than 1,000,000,000.00 dinars in fixed assets and hire more than 100 new employees during the investment period.

17 Article 19 of the Law on Free Zones ("Official Gazette of the RS", no. 62/06) prescribes that the beneficiary of the free zone is exempted from customs tariffs or other import duties on the import of goods intended for the performance of activities and the construction of buildings in the free zone.

18 Article 88, paragraph 7 of the Law on Planning and Construction prescribes that compensation for changing the use of agricultural land to building land is not paid during the construction of buildings of importance to the Republic of Serbia.

19 State investments in infrastructure, if a certain project is favoured, can have the character of state aid.

20 A large investment project represents an investment in fixed assets with justified costs of more than 50 million euros, in accordance with Article 2 of the Regulation on the Rules for State Aid Granting.

21 Article 7, paragraph 2 of the Law on State Aid Control prescribes that before granting state aid, the state aid grantor is obliged to obtain a written statement from the beneficiary as to whether and on what basis they were previously granted state aid for the same justified costs, and to perform cumulation.

4. The total state aid exceeded the permitted aid threshold for large investment projects

Taking into account the net present value of the investment that Linglong estimated at 645 million euros with aid included and the expected internal profit rate of 34 percent for the investment period of 8 years,[22] the total aid that Linglong received from the Republic of Serbia certainly **exceeded the allowed aid threshold for large investment projects.**[23]

5. State aid measures lack an incentivising effect

The Commission bases its approval of the state aid on the argument that the Linglong company's investment contributes to the achievement of a goal of mutual interest as well as having an incentivising effect, while making such conclusions based on the investor's statements, without evaluating concrete material evidence.[24] So, for example, the Commission "*determined*" that the measure of transferring 96 hectares of land into the ownership of the company without compensation fulfils the condition while merely stating that the transfer of ownership of land accelerates the completion of the investment by its very nature. However, when it comes to subsidising large investment projects of large enterprises through direct subsidies, the aid acceleration effect is rarely present and even irrelevant.[25]

State aid is not in line with the Stabilisation and Association Agreement

By signing the Stabilisation and Association Agreement with the European Union, the Republic of Serbia has committed to harmonise its regulations with the law of the European Union.[26] Regarding the regulation of state aid control, the Republic of Serbia has committed not only to harmonise its regulations with the law of the European Union, but also to apply it in accordance with the European rules.[27]

In order to ensure respect for the common interest that needs to be protected[28], the state aid grantor must **ensure that the project is in compliance with the regulations in the field of environmental protection by the project implementer**, more specifically, *that an environmental impact assessment is carried out and all relevant permits are obtained when prescribed by law*.[29]

From the very beginning of the project implementation, the recipient of state aid resorts to dividing the single project into several separate units, avoiding the environmental impact assessment of the project as a whole (the so-called *salami slicing*[30]), which undoubtedly violates the regulations governing the environmental impact assessment.

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22 Decision, page 8

23 The maximum amount of regional state aid for large investment projects is regulated by Article 13 of the Regulation on the Rules for State Aid Granting, which was in effect at the time of granting and assessing compliance with state aid.

24 It is considered that the compliance of the regional investment aid granted to large companies has an incentivising effect only after the competent authority confirms that, before granting the aid, the documentation prepared by the beneficiary substantiates the claims about the existence of the "incentivising effect" of the investment aid (Article 14, paragraph 4 of the Regulation on the Rules for State Aid granting).

25 Linglong is among the world's 20 largest tire manufacturers with a turnover of 1.99 billion euros in 2018, employing over 16,000 people. For more about it see: ht*tps://www.bloomberg.com/profile/company/601966:CH*, 15 April 2021.

26 Stabilisation and Association Agreement between the European Communities and their member states, on the one hand, and the Republic

27 Serbia, on the other hand (SSP) entered into force on 1 September 2013.

28 It is necessary to ensure that there is no externalisation of the costs of the investment in question, i.e. a situation in which the local population bears the costs of environmental protection arising from the implementation of the project.

29 European Commission's Guidelines on regional State aid for 2014-2020 (2013/C 209/01), par. 39

30 *Salami slicing* refers to the practice of dividing the initial project into several separate projects that individually do not meet the criteria for initiating the environmental impact assessment procedure, or individually do not have significant effects on the environment and therefore do not require an impact assessment but, together, may have significant impacts on the environment: Report from the Commission to the European Parliament and the Council On the Application and Effectiveness of the EIA Directive (Directive 85/337/EEC as amended by Directive 97/11/EC) - How successful are the Member States in implementing the EIA Directive

In addition, the investor does not have the conditions of the competent institute for nature conservation, and without which is impossible to determine the impact on the environment, especially the impact of the project on flora and fauna, which is extremely important considering that the special nature reserve of Carska Bara is located at a distance of only two kilometres from the location where the project is planned to be implemented. In addition, it was necessary to prove that **state intervention is needed**, *i.e.* the competent authority must make sure that the documentation prepared by Linglong International Europe Ltd. **confirms that the tire factory construction project would not have been implemented in the Free Zone in Zrenjanin or would not have been sufficiently profitable for the beneficiary in the Free Zone in Zrenjanin in the absence of assistance.** In other words, that market disturbance would justify the need for state intervention, bearing in mind that the Zrenjanin Free Zone already enjoys advantages compared to the alternative locations that the beneficiary was considering, which was absent from the decision.

Non-transparent behaviour of authorities

What is particularly worrying is the non-transparency of the work of state authorities regarding the awarding of this state aid. Namely, RERI turned to the Commission for State Aid Control, the Tax Administration and the Government of the Republic of Serbia, requiring the documents on the basis of which the state aid was granted.

In its conclusion, the **Commission for State Aid Control rejected the request** for access to information of public importance, stating that it was imprecise, that is, that *the applicant requested the submission of several documents as a whole and not just specific information*.[31]

In its decision, the **Tax Administration refused to provide information** related to the assessment of the market value of the land stating that it is an official secret, although an official secret does not exist in the system of classification of secret data according to the Data Secrecy Law[32], to which the Tax Administration refers.[33]

The **Government of the Republic of Serbia has yet to respond** to the request for access to information of public importance.[34]

31 Conclusion of the Commission for State Aid Control No 4-00-00005/2021-01/4 dated 4 February 2021. Previously, the Commission requested by letter No 4-00-00005/2021-01/4 dated 30 December 2020 that RERI provide the correct information from the documents in which it is located, to which RERI did not have access, which represents the disabling of free access to information of public importance by setting up conditions for the release of information that are impossible to fulfil, especially bearing in mind that RERI demanded all information contained in the requested documentation. This point of view is also confirmed by the practice of the Commissioner for Information of Public Importance and Personal Data Protection presented in decisions nos. 071-01-2720/2017-03 dated 10 January 2019 and 071-01-2548/2018-03 dated 3 December 2018.

32 Data Secrecy Law "Official Gazette of the RS", No 104/09.

33 Decision of the Tax Administration 037-02-00053/2021-1000 dated 11 February 2021.

34 On 21 December 2020, RERI addressed the Government of the Republic of Serbia with a request for access to information of public importance.

Is the City Administration working on Saturdays?

After obtaining a construction permit for the construction of auxiliary facilities in phase I, Linglong also obtained a permit for the construction of auxiliary buildings and facilities in phase II on 10 July 2020 for the construction of an administrative building for "research and development", an employee recreation centre (restaurant), a reservoir for the hydrant network and pumping stations, as well as a parking lot with 608 garage spaces.[35]

Aside from the fact that the **construction permit** on the basis of which construction is initiated, according to the RERI legal team, was **issued by an incompetent authority of the City Administration of the City of Zrenjanin**[36], the investor, contrary to the law, **did not submit a decision that an impact assessment was not required for the mentioned projects.**

Namely, in the construction permit, it is stated that the *investor submitted a decision that it is not necessary to develop an environmental impact assessment study*, which they **could not submit, bearing in mind that the same was never issued.** Instead, the company submitted a decision suspending the procedure for deciding on the need for an environmental impact assessment, **a decision issued in a form**[37] **which the Law on Environmental Impact Assessment does not recognize**.[38]

In Article 10, the Law on Environmental Impact Assessment clearly prescribes the manner and form in which the competent authority decides on the request for the need on impact assessment, by prescribing the following in paragraph 5: "*by a decision **determining that an environmental impact assessment of the project is required**, the competent authority can determine the scope and content of the impact assessment study*".

In addition, the following paragraph 6 of the same article prescribes that "*by a decision **determining that an assessment of the project's impact on the environment** is not required, the competent authority can determine the minimum conditions for environmental protection, in accordance with special regulations.*"[39]

Bearing in mind the aforementioned provisions of the Law on Environmental Impact Assessment, as lex specialis in relation to the Law on General Administrative Procedure, the form of an administrative act deciding on the need to develop an environmental impact assessment study is clearly determined, further implying that the decision was not issued in the prescribed (legal) form, and as such it should be annulled, as the current law does not recognize the form of the decision on suspension of proceedings.

Additionally, in accordance with the Law on General Administrative Procedure, the administrative procedure is *suspended if the authority finds that there are no conditions to proceed, and the law does not require that the procedure be continued*.[40] Therefore, in accordance with the legal, judicial and administrative practice, the administrative procedure is suspended when **the authority finds that there are no conditions for the continuation of the initiated procedure** (for example, in a situation where the project developer withdraws the request, ceases to exist as a subject of commercial law due to an implemented liquidation or bankruptcy procedure, etc.). In this case, specifically, it is not clear which new facts and circumstances led to the disappearance of the conditions for conducting the procedure further, and which were acquired after the initiation of the procedure, bearing in mind that the **first instance authority was aware of the characteristics of the project that is the subject of the impact assessment**

35 Decision of the Provincial Secretariat for Energy, Construction and Transport dated 10 July 2020, No ROP-ZRE-2176-CPI-6/2020.
36 For more about this see the previous case study available at: *https://www.reri.org.rs/wp-content/uploads/2020/07/ CUI-BONO%E2%80%93-Studija-slu%C4%8Daja-izgradnje-fabrike-pneumatika-Linglong-Tire-u-Zrenjaninu.pdf*, 16 April 2021.
37 Decision of the City Administration of the City of Zrenjanin No IV-08-04-501-34 dated 7 May 2020.
38 Law on Environmental Impact Assessment ("Official Gazette of the RS", No 135/04 and 36/09)
39 Article 34a of the Law on Environmental Impact Assessment prescribes that "the provisions of the law governing general administrative procedure shall be applied accordingly to matters of initiating, conducting and ending the impact assessment procedure that are not regulated by this law" (specifically, the Law on General Administrative Procedure). Furthermore, on the website of the Ministry of Environmental Protection, in the section referring to the adopted solutions and procedures in the impact assessment procedures, it is clearly stated that the procedures are suspended by the conclusion, and the only example of the suspension of the impact assessment procedure found on the ministry's website refers to the suspension of the procedure due to the withdrawal of the project developer from the submitted request. See *https://www.ekologija.gov.rs/obavestenja/procena-uticaja-na-zivotnu-sredinu/resenja-i-zakljucci*, 6 May 2021.
40 Article 101, paragraph 1 of the Law on General Administrative Procedure.

when submitting the request for deciding on the need for an environmental impact assessment.[41]

Finally, the **location conditions**, on the basis of which the construction permit was issued and which form an integral part of it, **do not contain the conditions of the competent Institute for Nature Conservation.**

Due to the unlawfulness contained in these documents, on 20 July 2020, RERI's legal team filed an appeal against the decision allowing the construction of the second phase of auxiliary facilities and requested that the second instance authority **annul the construction permit as unlawful.**

On 20 August 2020, the City Administration of the City of Zrenjanin issued a decision rejecting RERI's appeal as ***untimely***, explaining it with the fact that ***the City Administration also carries out work on Saturdays*** and that the deadline for submitting an appeal expired on Saturday.[42]

Namely, the Law on Administrative Procedure prescribes that in situations where the last day of the appeal deadline falls on a non-working day, i.e. on a day when the authority does not work, ***the deadline expires when the first following work day passes***, which in this particular case was Monday, when RERI filed a complaint.[43]

Finally, the City Administration of the City of Zrenjanin is not working on Saturdays, but only on weekdays (from Monday to Friday), while the City Service Centre is open on Saturdays, for a reduced period of time, which is not the authority that decides on the appeal submitted by RERI anyway. Because of the above, on 3 September 2020, RERI filed an appeal against the decision rejecting the appeal as untimely.

On 30 December 2020, the Provincial Secretariat for Energy, Construction and Transport accepted RERI's appeal and annulled the decision of the City Administration of Zrenjanin, but at the same time rejected the appeal as **submitted by an unauthorised person**.[44]

When the decision-making authority rejects the appeal, **it does not review the content of the appeal**, nor does it comment. This practically means that the Provincial Secretariat for Energy, Construction and Transport did not refer to the content of the complaint in a single sentence, but **concluded that an association that deals with the legal aspects of environmental protection in the process of issuing a construction permit does not have legal standing to represent public interests.**

On 11 March 2021, RERI's legal team filed a claim to the Administrative Court to annul this decision due to its unlawfulness.

41 The role of the authority that carries out the impact assessment procedure after submitting a request for deciding on the need for an impact assessment is to review the submission and determine whether it is competent to act in the subject administrative matter, whether it is a project for which an impact assessment can be requested, as well as to determine the fulfilment of other formal conditions related to the orderliness of the submission (Articles 8 and 9 of the Law on Environmental Impact Assessment). It clearly follows from the above that the City Administration of the City of Zrenjanin, presenting the investor's request for public review, unequivocally stated that it considers the request to be in order, which in terms of this law implies that it is a project for which an impact assessment can be requested. In this regard, the City Administration of the City of Zrenjanin was obliged to, in accordance with Article 10 of the Law on Environmental Impact Assessment, issue a decision that an environmental impact assessment of the project is required or a decision that an environmental impact assessment of the project is not required.

42 Decision of the City Administration of the City of Zrenjanin No ROP-ZRE-2176-APEL-8/2020 dated 20 August 2020.

43 Article 80, paragraph 5 of the Law on General Administrative Procedure.

44 ROP-ZRE-2176-APEL-15-ADR-2/2020 dated 30 December 2020.

Construction of production facilities and rubber mixer

After construction of auxiliary facilities, the investor **started with the construction of production facilities in the factory complex**, whose construction is planned in **ten phases**. The **construction of production facilities** for the production of truck and bus tires, passenger tires and tractor tires, as well as facilities such as **steel and hazardous waste warehouses** is planned.[45] So far, the City Administration of the City of Zrenjanin, according to publicly available information, has issued **nine construction permits violating the regulations in the field of planning and construction, environmental protection, as well as the general administrative procedure.**

First of all, the entire documentation on the basis of which access to the execution of work on production facilities with accompanying infrastructure (location conditions, construction permits, work notification certificates), according to the opinion of RERI's legal team, was issued by a non-competent authority - Department of Urban Planning, Section for the Implementation of Unified Procedures of the City Administration of the City of Zrenjanin, those permits are **unlawful** as such and should be **annulled**.

Namely, Article 137 of the Law on Planning and Construction prescribes that a *construction permit is issued **for the whole facility, i.e. a part of it, if that part represents a technical and functional unit**, i.e. for several cadastral plots or parts of cadastral plots for the building of linear infrastructure buildings*.[46] The facilities listed in the disputed documents represent the **technical and functional unit of the complex of production facilities for the production of tires** with a mixer, as well as auxiliary buildings within their operations, therefore, it is not possible to separate these facilities, presenting them as independent functional units for which special construction permits can be issued **because they do not have any independent function and would not have even been built without the main production establishment, with which they form a functional unit.**

In addition to the above-stated, instead of attaching the **consent** of the **competent authority for the impact assessment study** in accordance with the law, the investor only attached the following to the project for the construction permit:

environmental impact assessment study; non-technical summary of the environmental impact assessment study.

Namely, the Law on Environmental Impact Assessment established that "*The project developer requiring a mandatory impact assessment and a project where the need for an impact assessment has been established **may not initiate realisation, i.e. the construction** and implementation of the project, without the consent of the competent body for the impact assessment study*".[47]

In this way, **the quoted provisions of the Law on Environmental Impact Assessment were unequivocally violated** because **an impact assessment study is not the same as consent for the study** (the study is a component of the consent).

Only after the competent authority issues the consent on the environmental impact assessment study, can this document affect the rights and obligations of the project developer, other parties to the procedure and the competent authorities. The impact assessment study contains the measures and activities that the project developer is obliged to undertake during the construction of the facilities and the subsequent operation of the facilities for which the consent on the study was provided. Also, the impact assessment study is submitted to the competent inspection, which, based on the foreseen monitoring measures, includes the project in the regular inspection supervision plan. In order for these obligations to produce a legal effect, it is necessary for the competent authority to approve the study, i.e. to give consent. **A study without the consent is a non-binding document that does not have any legal force, nor does it bind anyone, from the project leader to the inspection authorities.**

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45 Location conditions No ROP-ZRE-7166-LOC-1/2020 dated 20 May 2020 issued by the City Administration of the City of Zrenjanin.

46 Law on Planning and Construction ("Official Gazette of the RS", nos. 72/09, 81/09, 64/10, 24/11, 121/12, 42/13, 50/13, 98/13, 132/14, 145/14, 83/18, 31/19 and 37/19).

47 Article 5 of the Law on Environmental Impact Assessment ("Official Gazette of the RS", nos. 135/04 and 36/09).

Due to all the aforementioned unlawfulness, RERI submitted a total of **seven complaints** to the Provincial Secretariat for Energy, Construction and Transport, six of which were **rejected** ***as reported by an unauthorised entity***.[48] Due to the unlawfulness of decisions, RERI's legal team filed a **lawsuit** in each of these proceedings **to the administrative court** demanding their annulment due to unlawfulness.

The active identification of RERI is explained in detail in the previous case study.[49] However, it is important to point out the most recent practice of the Administrative Court in the case of the construction of the Ušće-Kalemegdan cable car, which concerns the recognition of an legal standing of the representatives of public interest on a healthy environment, in which the court expressed the opinion that *the interested public who claim that there was a violation of rights in the field of environmental protection are actively legitimised for filing a lawsuit for the annulment of the decision on the construction permit* if it believes that the administrative act has violated a law-based interest.[50]

48 Decision of the Provincial Secretariat for Energy, Construction and Transport nos. ROP-ZRE-7166-APEL-19-ADR-2/2020 dated 15 December 2020, ROP-ZRE-7166-APEL-14-ADR-2/2020 dated 22 October 2020, ROP-ZRE-7166-APEL-15-ADR-2/2020 dated 22 October 2020, ROP-ZRE-7166-APEL-9-ADR-2/2020 dated 06 October 2020, ROP-ZRE-7166-APEL-11-ADR-2/2020 dated 08 October 2020, ROP-ZRE-7166-APEL-8-ADR-2/2020 dated 22 October 2020.

49 *CUI BONO? - A case study on the construction of the "Linglong Tire" tire factory in Zrenjanin, Renewables and Environmental Regulatory Institute, Belgrade, June 2020, p. 19-20.*

50 Judgement of the Administrative Court no. 7 U 6063/19 dated 12 February 2021.

Construction without a construction permit – the rule or the exception?

On 20 July 2020, RERI submitted a criminal complaint to the Basic Public Prosecutor's Office in Zrenjanin against the responsible persons in the company branch of the foreign legal entity China Energy Engineering Group Tianjin Electric Power Construction Co. Ltd and Linglong International Europe Ltd. Zrenjanin, as well as CRE International Ltd. Belgrade, due to **the existence of grounds for suspicion that they committed the criminal offence of construction without a construction permit** during the construction of the factory complex of the tire factory in Zrenjanin.

Namely, the Law on Planning and Construction prescribes that **construction can be started on the basis of a legally binding decision on the construction permit and the notification of works.**[51]

Due to the suspicion that the investor started the construction of auxiliary facilities within the factory complex before the construction permit was legally valid, i.e. before the issuance of the work registration certificate, on 27 May 2020 and 2 June 2020, RERI submitted requests to the **construction inspection of the City of Zrenjanin to conduct an extraordinary inspection** and submitted photographs that confirm these suspicions.

Since the competent inspector did not act on the submitted request, RERI filed **complaints about the inspector's work** on 12 June and 21 July, after which the head of the inspection informed RERI that the inspector could not access the location for almost a month after RERI had submitted the request because "*ground demining was being carried out*" at the specified location.[52] The City Administration of the City of Zrenjanin **refused to submit** a contract that would prove that demining was actually carried out on said ground.[53]

The head of the inspection informed RERI that when the inspector finally approached the location and carried out the inspection, he found that the investor had been building contrary to the construction permit, which is why he ordered them to **stop the work and amend the construction permit.**[54]

Construction without a construction permit is a criminal offence prescribed by the Criminal Code of the Republic of Serbia.[55] Namely, the Criminal Code prescribes that *a person who is a contractor or a responsible person in a legal entity that is a contractor on a building being built, i.e. who performs work on the rebuilding of an existing building, without a construction permit, will be punished with imprisonment of three months to three years and a fine*[56]*, as well as that a person who is an investor or a responsible person in a legal entity who is an investor of an object that is constructed without a construction permit, will be punished with imprisonment of six months to five years and a fine.*[57]

According to the information that the RERI legal team obtained from the Basic Public Prosecutor's Office in Zrenjanin, the collection of documentation from the construction inspection is in progress.[58]

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51 Article 138a of the Law on Planning and Construction.

52 Letter from the City Administration of the City of Zrenjanin, Department for Inspection, Construction Inspection Section no. 031-4/20-42-IV-06 dated 29 July 2020.

53 Decision of the City Administration of the City of Zrenjanin no. 037-45/20-IV-01-01 dated 17 August 2020, by which it rejects the request for access to information of public importance in the part related to the delivery of the contract on demining and clearing the ground and the record on the introduction of the contractor "Millenijum team" doo into the work.

54 Record and decision of the Construction Inspection Section of the Inspection Department of the City Administration of the City of Zrenjanin number: 356-51/2020-IV-06-03 dated 26 June 2020. In the aforementioned report, the construction inspector stated that the investor without a construction permit had displaced 5.20 m of the security booth VO 032, as well as that they had made a constructive correction in relation to the project and the construction permit during the construction of the security booth VO 029 and VO 031.

55 Criminal Code ("Official Gazette of the RS", nos. 85/05, 88/05, 107/05, 72/09, 111/09, 121/12, 104/13, 108/14, 94/16 and 35/ 19).

56 Article 219a paragraph 1 of the Criminal Code.

57 Article 219a paragraph 2 of the Criminal Code.

58 Criminal proceedings are conducted under the business number KT. 2334/20.

However, in March of this year, RERI came into possession of information indicating that there is a high degree of probability that Linglong International Europe Ltd. is **carrying out construction without a construction permit again**, but this time on the **construction of the rubber mixer**, which is the part of the project with the potentially most harmful impact on the environment.[59]

Due to the existence of these doubts, RERI submitted a request for an extraordinary inspection supervision to the Provincial Secretariat for Energy, Construction and Transport on 22 March 2021 and demanded that the competent inspection determine **whether the work on the construction of the rubber mixer had begun**, for which the Linglong company International Europe Ltd. does not have a construction permit, but only location conditions.[60] After a submitted urgency and a complaint about the work of the acting inspector,[61] the construction inspection within the Provincial Secretariat for Energy, Construction and Transport informed RERI that the inspection supervision procedure is ongoing and that it started on 30 March 2021.[62]

In addition to the construction inspection, on 19 March 2021, RERI addressed the inspection within the Provincial Secretariat for Urban Planning and Environmental Protection with a request to determine **whether work on the construction of the rubber mixer had begun before the approval for the environmental impact assessment study was obtained**, contrary to Article 5 of the Law on Impact Assessment. With the same request, RERI called for the competent inspector to, in accordance with the authority given to him by the Law on Environmental Impact Assessment, **prohibit the implementation of the project until the approval of the environmental impact assessment study is obtained.**[63]

Namely, Article 5 of the Law on Environmental Impact Assessment prescribes that *the project developer requiring a mandatory impact assessment and a project where the need for an impact assessment has been established **may not initiate realisation, i.e. the construction and implementation of the project, without the consent of the competent authority for the impact assessment study***". However, there is a well-founded suspicion that the investor was carrying out the construction before he had obtained approval for the environmental impact assessment study for the rubber mixer, bearing in mind that approval for it had not yet been given at that time.

The inspection of the Provincial Secretariat for Urban Planning and Environmental Protection declared itself incompetent and transferred the case to the construction inspection within the Provincial Secretariat for Energy, Construction and Transport.

However, RERI points out that the Law on Environmental Impact Assessment prescribes that inspection supervision, in accordance with that law, is carried out by the Ministry through environmental protection inspectors[64] and that the autonomous province is entrusted with the tasks of inspection supervision over the implementation of the provisions of this law for projects for which the authority of the autonomous province is responsible for conducting the impact assessment procedure.[65]

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59 RERI expressed doubts that the construction of a raw material warehouse, a facility for unloading and storing carbon black and silica for TBR, chiller plant 2, a facility for mixing raw materials (mixing) for TBR, a sulphur warehouse, a facility for unloading and storing carbon black and silica for PCR has started, chiller plant 1 and facility for mixing raw materials (mixing) for PCR.

60 Location conditions number ROP-PSUGZ-13164-LOCN-2/2020 dated 17 July 2020, issued by the Provincial Secretariat for Energy, Construction and Transport, which were amended by the decision of the same authority No ROP-PSUGZ-13164-LOCA-7/2021 dated 01 April 2021.

61 On 21 April 2021, RERI filed a complaint against the acting inspector because he did not act in accordance with Article 18 of the Law on Inspection Supervision, which prescribes that the inspector is to inform the applicant how the submission has been dealt with no later than 15 days from the day of receipt of the request.

62 Decision of the Provincial Secretariat for Energy, Construction and Transport No 143-354-50/2021-05 dated 19 April 2021.

63 Article 37, paragraph 1, item 3) of the Law on Environmental Impact Assessment.

64 Article 35, paragraph 2 of the Law on Environmental Impact Assessment.

65 Article 39, paragraph 1 of the Law on Environmental Impact Assessment.

The investor continues to construct without the conditions of the Institute for Nature Conservation

Linglong was also obliged to obtain the conditions of the Provincial Institute for Nature Conservation in the process of issuing location conditions, which form an integral part of the construction permit, and in the process of deciding on the environmental impact assessment, which it did not do.

On the other hand, if the investor failed to provide these conditions, the authority that implements the procedure for issuing the construction permit was obliged to obtain them in the prescribed procedure. The competent authority did not do that and thus acted contrary to the provisions contained in the Law on Planning and Construction.

According to the information that RERI received from the Provincial Institute for Nature Conservation, neither the City Administration of the City of Zrenjanin nor the competent authorities in the Autonomous Province of Vojvodina have addressed this institute, despite the express legal obligation to obtain nature conservation conditions for the construction of the tire factory of the Linglong International Europe Ltd investor.[66]

The author of the study, on the other hand, **made untrue statements** in the impact assessment procedure that through the process of the unified procedure, all competent authorities were contacted, and that the Provincial Institute did not announce the necessary conditions.[67]

In the environmental impact assessment procedure, **which is not carried out within the framework of the unified procedure**, the competent authority is not obliged to obtain conditions that the project developer did not obtain but is obliged to require the project developer to complete the request, i.e. if the latter does not do so, to **reject the request as irregular**. If the conditions of nature conservation had been attached to the location conditions, this problem would not have arisen at a later stage of the procedure.

66 Letter from the Provincial Institute for Nature Conservation No 03-2474/2 dated 1 October 2020 and Letter from the Provincial Institute for Nature Conservation dated no. 03-2431/2 dated 1 October 2020.

67 Responses of the study author to the opinions of the interested public on the Environmental Impact Assessment Study of the "Production plant complex for the production of tires with accompanying infrastructure" project

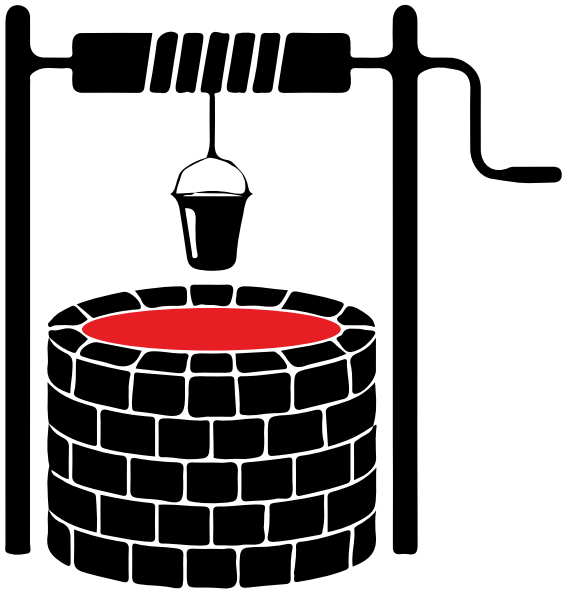
Five wells for a tire factory in a city with no drinking water

Bearing in mind that defective drinking water is a problem that the population of Zrenjanin has been facing for more than 16 years,[68] It is understandable that citizens are concerned about the investor's plans to connect the production plants of the tire factory to the city's water supply network, to the system of the work zone *"Southeast I" in the north*. Namely, although **the total amount required for the smooth functioning of the industrial complex is 4,665 m3 per day**, the investor does not provide answers on how the connection of the production facilities of the large-capacity tire factory will affect the existing water supply of the population of the town of Zrenjanin.[69]

In addition, in the site conditions for the mixer, it is stated that it is *planned, if the technological needs exceed the possibility of supply from the city water supply, that the investor can start drilling wells, with mandatory consent and under the supervision of PUK "Waterworks and Sewerage Zrenjanin"*.[70]

The water supply of the City of Zrenjanin is based on the exploitation of underground water from wells at the source northwest of the city with a total of 34 wells, of which 30 wells are grouped in the northwest, in the immediate area of the city.[71]

On 5 March 2020, Linglong International Europe Ltd. **submitted a request for the issuance of conditions for the performance of applied hydrogeological research due to the construction of five wells**. According to the investor, the project of applied hydrogeological research will foresee the construction of five wells, as well as the work for the preparation of the Elaboration on underground water reserves at the source located on the territory owned by the company. Although the Provincial Institute for Nature Conservation issued conditions for drilling these wells, according to RERI's knowledge, the investor did not receive them until September 2020.[72]



68 Drinking the water is prohibited because of the excessive amount of arsenic.
69 Environmental Impact Assessment Study of the "Production facility complex for the production of tires with accompanying infrastructure" project.
70 Location conditions No ROP-PSUGZ-13164-LOCH-2/2020. dated 17 July 2020 issued by the Provincial Secretariat for Energy, Construction and Transport.
71 Sustainable development strategy of the City of Zrenjanin for 2014-2020.
72 Decision on the Conditions of Nature Conservation of the Provincial Institute for Nature Conservation No 03-650/2 dated 16 March 2020 and Letter of the Provincial Institute for Nature Conservation No 03-2175/2 dated 9 September 2020.

Impact assessment without public participation

The specific level at which, in the process of constructing the tire factory in Zrenjanin, irregularities and abuse of public authority continuously occur, is the environmental impact assessment. On this occasion, the attention is focused on irregularities and abuses in the implementation of the public review and public presentation of impact assessment studies for the production complex and the rubber mixer for tire production, which the project developer tendentiously and maliciously declared as separate projects. RERI pointed out through its submitted objections on the environmental impact assessment study for the production complex (in September 2020) that **the investor is trying to artificially separate a single project into smaller units.**

Namely, according to Article 137 of the Law on Planning and Construction, **a construction permit is issued for the whole facility, *i.e.* a part of it, if that part represents a technical and functional unit**, *i.e.* for several cadastral parcels or parts of cadastral parcels for the construction of line infrastructure facilities. From the description of the technological processes provided in the environmental impact assessment study for production facilities, it can be clearly concluded that the rubber mixer and the production facilities listed in the study represent the technical and functional unit of the complex of production facilities for the production of tires - the unit in which the production of tires is carried out, so it is not possible to separate these facilities, presenting them as independent functional units for which special environmental impact assessment studies can be prepared because they do not have any independent function and would not have been constructed without the main production facility, with which they form a functional unit.

The public, which has shown great interest in this project, was prevented from participating in the public presentation and public debate, first in September 2020, during the public consultations related to the environmental impact assessment study for the production complex, and then in February 2021, during the public consultations related to the study for the rubber mixer. That the public is extremely interested in participating in the environmental impact assessment process of the Linglong factory is unequivocally shown by the fact that during the process of deciding on the need for an environmental impact assessment of the "Complex of facilities for business in the free zone" (auxiliary facilities) project, 215 (sic!) objections arrived.[73]

Public review of the request for consent to the environmental impact assessment study of the "Complex of production facilities for the production of tires with accompanying infrastructure" project (production facilities) was published in the newspaper "Zrenjanin" on 14 August 2020. On that occasion, the City Administration of the City of Zrenjanin announced that a public presentation and public debate on the study will be held on 4 September 2020 at 11 a.m. in the hall of the City Assembly of Zrenjanin.

At this point, it is important, for the sake of a better understanding of the procedures we are describing, to recall the key provisions of the Law on Impact Assessment and the Rulebook that governs the procedure for public review and public debate on the environmental impact assessment study.[74]

First of all, impact assessment, in accordance with the Law on Environmental Impact Assessment, is "*a preventive measure of environmental protection, based on the elaboration of studies, public consultation and participation and analyses of alternative measures, with the aim of collecting data, of foreseeing the harmful effects of certain projects on the environment and human health, flora and fauna, soil, water, air, climate and landscape, material and cultural resources and the interactive effects of these elements, and of determining and proposing measures that may be implemented in order to prevent, reduce or eliminate such harmful effects, having in mind the feasibility of these projects.*"[75] Therefore, **public participation is an indispensable element of impact assessment.**

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73 City Administration of the City of Zrenjanin, Decision No. IV-08-04-501-34 dated 7 May 2020

74 Rulebook on the procedure for public review, presentation and public debate on the environmental impact assessment study ("*Official Gazette of the RS*", no. 69/05).

75 Article 2, paragraph 1, item 5 of the Law on Environmental Impact Assessment.

Article 20 of the Law on Environmental Impact Assessment obliges the competent authority to organise the public review, public presentation and debate of the environmental impact assessment study. A public debate can be held no earlier than 20 days from the day of informing the public about the submitted request for consent to the study. Additionally, this article establishes that "*conducting consultations with the participation of the public*" from the definition of environmental impact assessment in Article 2 implies public review, public debate and public presentation as indispensable elements of conducting consultations with the public. The Law on Environmental Impact Assessment further establishes that "*after the completion of the public review, i.e.* ***public presentation and public discussion****, the competent body shall submit a report to the technical commission with an overview of the opinion of interested authorities and organisations, and the interested public, within three days.*"[76]

The Rulebook on the procedure for public review, presentation and public debate on the environmental impact assessment study regulates the procedure for public inspection, public presentation and public debate in more detail. Article 2 of the Rulebook establishes that the announcement on the presentation of the environmental impact assessment study contains: "*the full name of the authority that is carrying out the announcing, the name of the environmental impact assessment study whose presentation is the subject of the announcement, the information on the time and place of the presentation of the environmental impact assessment study for public review,* ***the information on the time and place of the public presentation and public debate****, the way in which interested authorities and organisations and the public can obtain information about the environmental impact assessment study and submit objections, as well as other information that may be of importance for the public review process.*"

The previously cited provisions of the law and by-law establish that the public presentation and public debate are indispensable elements of the environmental impact assessment and that the competent authority has the obligation to inform the public about the time and place of the public presentation and public debate in an announcement about the presentation of the study for public inspection. A simple logical interpretation concludes that information on the time and place of the public presentation and public debate cannot be changed by the competent authority without prior notice, that is, re-announcement. The law does not provide for this possibility, and therefore does not regulate it.

76 Article 22a of the Law on Environmental Impact Assessment.

What happened on September 4 in the City Administration building of the City of Zrenjanin?

Around 50 citizens, association representatives and the media came to the public presentation and public debate at the time determined by the competent authority and announced in a public invitation. Most of the attendees had already submitted objections to the study.[77] Security officers in the City Administration stopped the citizens and informed them that they could not enter the hall for the public debate and that only 6 of them could enter (sic!). The security officer, who certainly does not have the authority to interpret and implement the Law on Environmental Impact Assessment, reasoned that, due to epidemiological measures[78] **no more than 6 people could enter the hall because the City Administration representatives and investors were already inside the hall**. The security officer did not explain the criteria by which the city representatives and investors were allowed into the hall and why their number was not previously limited. The police soon joined the security, explaining that they, too, had instructions to prevent citizens from entering the hall. After the citizens demanded that a representative of the competent authority address them, in the hall of the building, a person who did not introduce himself appeared but explained that the public presentation and public debate will be repeated several times, until all present citizens have had the opportunity to participate in the public presentation.

In this way, the City Administration of the City of Zrenjanin violated the principle of information and public participation established by the Law on Environmental Protection[79] and the provisions of the Rulebook on the procedure for public review, presentation and public debate of the environmental impact assessment study, since the public was not allowed to participate in the public presentation and the public debate at the scheduled time and place determined by the announcement on public review. The announcement did not state that the public presentation would be repeated, nor did it state where and at what time the repeated public presentation and public debate would take place. Finally, if there was a change in the place and time of the public debate, the competent authority was obliged to inform the public about it through a public announcement, as it did when announcing the request that is subject to public inspection. Neither the Law on Impact Assessment nor the Law on Administrative Procedure, the alternative application of which is determined by the Law on Impact Assessment, provide for the possibility of changing the place and time of the public presentation and public debate on the day of the public debate and public presentation. In particular, not a single regulation provides that the city security and the police can inform the public about a change in the place and time of the public debate.

In addition, it is necessary to draw attention to other irregularities that followed the public debate in September, and which were repeated later.

Namely, at the time of the public debate and public presentation, the Order on the prohibition of gatherings in the Republic of Serbia in public places in closed and open spaces was in force.[80] This Order prescribes the following: "*In order to prevent the spread of the COVID-19 infectious disease caused by the SARS-CoV-2 virus, public gatherings are prohibited throughout the territory of the Republic of Serbia in public places in closed and open spaces - when more than five people gather at the same time.*"[81] This Order clearly indicates that the gathering of the public was absolutely not allowed in September 2020, hence the conditions for conducting a public presentation and public debate, as a mandatory element of the consent procedure for the study, could not be met. This means that the public presentation had to be postponed until the epidemiological situation has improved so that the public could participate since their participation is an integral part of the consent procedure for the study.

The authorities of the City Administration of the City of Zrenjanin, despite the Order on the prohibition of gatherings, **scheduled a public debate and thus denied the public the opportunity to attend the public presentation and public debate on the impact assessment study**, which led **to a violation of the principle of information and public participation**, which is the basic principle of the Law on Environmental Protection.[82]

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77 RERI is relaying the information about the events of 4 September as an eyewitness, since RERI's representatives tried to participate in the public debate and presentation.

78 The public debate is being held during the emergency situation caused by the COVID-19 infectious disease.

79 Article 9, paragraph 10, item 10 of the Law on Environmental Protection ("Official Gazette of the RS", nos. 135/04, 36/09, 36/09, 72/09, 43/11, 14/16, 76/18, 95/18 and 95/18).

80 Order on the Prohibition of Gatherings in the Republic of Serbia in public places in closed and open spaces ("Official Gazette of the RS", nos. 100/20, 111/20 and 133/20) ("**Order on the Prohibition of Gatherings**").

81 The ban on gatherings of more than 5 people was introduced on 7 November 2020, while the ban on gatherings of more than 30 people came into effect on 17 July, which was valid at the time of the public debate.

82 Article 9, paragraph 10, item 10 of the Law on Environmental Protection.

Bearing in mind that the Order on the Prohibition of Gatherings was in force and that the implementation of the public presentation was not urgent, as well as the fact that the competent authority could have known that more than 30 people would attend the public debate and presentation, so the competent authority had to postpone the public presentation until the conditions for its holding are met. This was possible, especially considering that the **Law on Environmental Impact Assessment does not prescribe a maximum period in which a public presentation must be held**, but prescribes only a minimum period as follows: a public debate can be held no earlier than 20 days from the date of public notification.

A similar scenario was repeated in Novi Sad, a few months later.

On 17 January 2021, the Provincial Secretariat for Urban Planning and Environmental Protection published a public announcement on the submitted application for approval of the environmental impact assessment study of the construction of the rubber mixer at the Linglong factory complex with accompanying infrastructure facilities. A public debate and public presentation were scheduled for 18 February at 10 a.m. This time, the competent authority set the duration of the public review at 30 days, which confirms the previous conclusion that public inspection is not limited to 20 days. This time, the competent authority, although the Order prohibiting the gathering of more than five people was still in force, invented (there is no other more appropriate term) a procedure that is not provided for by the Law on Environmental Impact Assessment or the Rulebook. Namely, first of all, in the public announcement, the authority stressed the requirement that all interested participants register in advance, although the law does not oblige them to do so, and then they **limited the number of association representatives, interested bodies and organisations to a maximum of two people**. Also, the competent authority, this time in the announcement itself, announced the repetition of the public discussion and presentation "*on a continuous basis until every person participates in the public debate and presentation.*"[83]

The procedure of the Provincial Secretariat for Urbanism and Environmental Protection represents an interesting (and illegal) phenomenon from a legal and research point of view, so it needs to be given additional attention. First of all, the Provincial Secretariat knowingly violated the Order on the Prohibition of Assemblies, although there is absolutely no justification for the urgent holding of a public debate and presentation. The interests of any company cannot be placed before the interests of the health protection of the population, nor above the rights guaranteed to citizens by ratified international agreements and laws of the Republic of Serbia. On the other hand, the obligation to register for a public debate and presentation can only be understood as optional, because it is not prescribed by law. The employees of the Provincial Secretariat did not understand it that way, and around 10 o'clock they started the roll call, based on the list they made themselves. At that moment, there were about 50 citizens, association representatives and media in front of the building where the illegal public debate and presentation was planned. This time, the unnamed official informed the audience that 37 people can enter the hall (sic!). It is unclear why exactly 37 if the gathering of more than 5 people is prohibited? Furthermore, the announcement contains a discriminatory criterion, as the number of association representatives, interested authorities and organisations is limited, but not representatives of investors, or any other business company/legal entity, which could also be interested in the study that is open to public review. As in the previous case from Zrenjanin, this time too, the competent authority did not provide the public with information about when, at what time and at what place the "*continuous public debate and presentation*" will be held, which it was obliged to do, bearing in mind the Rulebook that it is obliged to respect.

The police were again present at the public debate, which also requires further explanation. Namely, in both Zrenjanin and Novi Sad, citizens did not gather with the intention of protesting, but to participate in the decision-making process, which the law expressly authorised them to do. More precisely, the citizens did not gather but intended to enter the hall at the appointed time, and the gathering took place because they were prevented from entering. Neither in Zrenjanin nor in Novi Sad was there any indication of any incident, violent behaviour or disturbance of public order and peace. The only violator of the law was the competent authority that organised a public debate and presentation in violation of the regulations of the Republic of Serbia.

83 Notice on the submitted request for consent to the environmental impact assessment study of the project for the construction of the rubber mixer for the production of tires in the Linglong factory complex with accompanying infrastructural facilities at the cadastral parcel No 19249 KO Zrenjanin I, published in the daily newspaper "Dnevnik" dated 14 January 2021.

Epilogue

The environmental impact assessment study for the production complex was approved, even though the process of exposing it to public review was illegal. The public is still not aware of the outcome of the rubber mixer study approval process. In the meantime, the investor started construction of the rubber mixer, without a construction permit and without an environmental impact assessment study. The public has not yet received a response to the question of the possible negative environmental impacts of this project.

O tempora, o mores!

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