



[www.evb.ch/publiceyeondavos.htm](http://www.evb.ch/publiceyeondavos.htm)

Nominated for the Public Eye Award 2005  
in the category:

**ENVIRONMENT**

Nomination by: Verein "Für Heuersdorf",  
Germany

## **MIBRAG (Mitteldeutsche Braunkohlegesellschaft)**

Headquarters: Theissen (Deutschland)  
Turnover / Net profit: 2003: €303.9 million (turnover) / €33.1 million (profit)  
Branch of trade: brown coal mining  
Owned by: NRG Energy, Inc., Minneapolis USA and Washington Group International (50 % each)  
No. of employees: 2,100  
CEO: Bruce P. DeMarcus  
Member to the WEF: NO (in January 2004)

### **Outline**

*MIBRAG plans to exploit the brown coal deposits under the village of Heuersdorf (Saxony, Germany). In order to enable the exploitation, MIBRAG wants to destroy the medieval village including several historical buildings. The association "Für Heuersdorf" e.V. campaigns for the preservation of the village. Even though there is a conflict of goals between the creation of employment and the conservation of cultural heritage, the latter should be preferred over the first, since the employment created is not directed towards sustainability. Clean energy options could provide jobs without destroying the landscape.*

### **General Information on the Case**

Based on a supposed deposit of 52 million tons of brown coal under the village of Heuersdorf, MIBRAG plans to destroy this medieval village with its approximately 40 historical buildings. Even though the village of Heuersdorf presented several proposals for the use of renewable energies to create employment opportunities, neither MIBRAG nor the federal and regional governments are willing to consider any of them.

### **Characteristics of irresponsible corporate behaviour**

- Brown coal mining harms the environment. It causes considerable sinking of groundwater. In Germany, the use of brown coal to generate power causes 22 percent of the CO<sub>2</sub> emission in energy production.
- A study published by the German Federal Environment Office shows that the German brown coal mining industries receive state subsidies of approximately €1 billion a year. If hidden costs like the impact on climate change are taken into account, the amount rises to €4,5 billion a

The deadline for the submission of the nominations was 31 October 2004. Later developments were considered in the summaries as far as known.

year. In relation to the annual yield capacity of 180 million tons, every ton of brown coal costs up to €25. However, the coal is sold for approximately €10 to the power plant.

- A resettlement of people from their ancestral homeland is only compatible if first and foremost it serves common interest. The resettlement of Heuersdorf, however, would serve only to maximise the profit of a private company. In addition, a socially compatible resettlement should involve the entire local population. But in Heuersdorf, some families are selected and given financial compensation. MIBRAG intends to promote a gradual demographic erosion. Last but not least, the 40 historical buildings as well as the natural landscape will be destroyed if MIBRAG gets the licence for the brown coal mining in Heuersdorf.

## **Consequences**

The case of Heuersdorf reveals that

- the ongoing dehydration and a CO<sub>2</sub> emission above the average are connected to power generation with brown coal,
- the political backing for this combustible through support similar to subsidies amount to approximately €5 per ton. This burdens the public budget and leads to considerably higher health and environmental damages
- the mining industry destroys irreplaceable cultural monuments. At the same time, there are no long-term prospects of employment in the highly efficient mining company.

## **Current status and demands**

On 11 November 2004, the municipality of Heuersdorf filed a petition to the Saxon Constitutional Court in Leipzig for the implementation of standards. The municipality argues that the law allowing MIBRAG to exploit the brown coal deposit (so-called “Heuersdorfgesetz”) is incompatible with article 88, paragraphs 1 and 2 of the Saxon Constitution.

The Verein “Für Heuersdorf” e.V. demands that MIBRAG:

- reduce the exploitation rate of already available open mining pits by extending it over a longer time period and thus also reduce the annual CO<sub>2</sub> emission,
- replace the resulting deficiency in energy through a combination of renewable energies and energy-saving measures
- to expand this technology in combination with incomes from emissions trading (CO<sub>2</sub> reduction) in order to avoid the destruction of cultural heritage in places such as Heuersdorf.

## **Link to the details of the nomination: [www.evb.ch/nominations.htm](http://www.evb.ch/nominations.htm)**

Further information and links:

[www.heuersdorf.de](http://www.heuersdorf.de)