

Vietnam says Taiwanese steel mill to pay \$500mn for pollution

June 30 2016



A villager shows dead fish he collected on a beach in Phu Loc district, in the central province of Thua Thien Hue in April

A Taiwanese steel mill has agreed to pay \$500 million compensation for discharging pollution that decimated Vietnam's fishing industry in several central provinces this year, officials said Thursday.

Tonnes of dead fish, including rare species that live far offshore, began

washing up along Vietnam's central coastline in April and activists have been demanding answers ever since.

After weeks of investigation, Vietnamese officials laid the blame on Formosa, a Taiwanese conglomerate that is building a multi-billion-dollar steel plant in the area where the fish died.

"Violation and mistakes" in building the Formosa plant caused the [pollution](#) and "abnormal mass fish deaths", according to Mai Tien Dung, chairman of the government's office.

The plant is still under construction.

Dung said Formosa, which has a history of environmental scandals spanning the globe, has agreed to pay \$500 million in compensation for the incident, which hammered the local seafood industry and sparked public outcry.

Vietnamese authorities have come under pressure to show that foreign investors are not ushered in without controls.

"I reaffirm we will not trade the environment just to attract foreign investment," Dang Huy Dong, deputy minister of planning and investment, told reporters.

Formosa is no stranger to controversy in Vietnam, where anti-China riots at its Ha Tinh steel plant killed three in 2014 and a scaffolding collapse killed 14 last year.

The company's scandals also stretch from Texas to Taipei, where the conglomerate has paid millions of dollars in fines over environmental mishaps.

Taiwan's Formosa Plastics Group, which is a major shareholder of Formosa Ha Tinh Steel Corporation, said it could not immediately confirm the \$500-million payment but would issue a statement on the matter later Thursday.

But a representative of their Vietnamese operations, Tran Nguyen Thanh, apologised for the "environmental incident" and said the firm was ready to pay an unspecified amount of compensation "in terms of the economy, for the people... and dealing with the pollution".

Lawmakers in Taipei warned this month that a firm link between Formosa and Vietnam's fish deaths could damage Taiwan's efforts to bolster economic ties across Southeast Asia as the island looks to ease its economic reliance on China.

Frustration over Vietnam's perceived reluctance to blame Formosa led to rallies across the country, with police stepping in to arrest scores of demonstrators.

Formosa drew ire in April when a public relations officer in Vietnam said the country had to choose between protecting marine life or foreign investment.

The employee was later fired and apologised for his remarks.

© 2016 AFP

Citation: Vietnam says Taiwanese steel mill to pay \$500mn for pollution (2016, June 30)
retrieved 27 April 2024 from

<https://phys.org/news/2016-06-vietnam-taiwanese-steel-mill-500mn.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.