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*President: Berthold Huber*  
*General Secretary: Jyrki Raina*

Geneva 26 July 2013

Mr. Santanu Kumar Nath, Managing Director  
Suad Dubravac, Deputy Managing Director  
GIKIL d.o.o. Lukavac  
Zeljeznicka 1  
75300 Lukavac  
Bosnia and Herzegovina

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## Urgent labour Concern at GIKIL

Dear Mr. Kumar Nath and Mr. Dubravac,

I write to you on behalf of IndustriALL Global Union which represents more than 50 million workers across the energy, manufacturing and mining supply chains in 140 countries worldwide. We value the membership in our organization of the Independent Trade Union of Chemistry and Non-Metal Workers of FBiH of Bosnia and Herzegovina.

I am extremely concerned for our affiliate's members at your company, Global Ispat Koksna Industrija d.o.o. Lukavac. It has been reported to me that the 1,000 workers at the company are being intimidated to leave the trade union so that management can continue to not pay workers' salaries regularly without challenge.

This mistreatment of your workforce and of the industrial relations process would cause your company much reputational harm internationally, not least with your customers if it were known. I find this aggression against your trade union bargaining partner even more galling in light of the sacrifices made by the union in the past to protect corporate performance. Those sacrifices include the union agreeing to lower salaries.

I am also aware of the dubious business dealings that have created the company's financial deficit of 180 million Bosnia and Herzegovina convertible marks. I put to you that this deficit was created because GIKIL d.o.o. Lukavac purchased coal from the STENKOM company for an inflated price to fraudulently channel money to STENKOM which is owned by the same company Global Infrastructure Holdings Ltd.

I know that two-thirds of GIKIL d.o.o. Lukavac is owned by the local Government of Tuzla Canton and I will be contacting the local and national government to communicate these concerns.

We are aware of the 21 June letters that your company sent to 60 members of the senior staff calling on them to withdraw their union membership and set an example on the rest of the workforce. This is a blatant example of restricting international standards of the right to organise and bargain collectively and it cannot continue.

We stand in firm support of our affiliated Independent trade union of chemistry and non-metals workers of FBiH, under the leadership of President Kata Iveljic, and expect swift action on the part of your management to enter into good faith social dialogue with your union partner, settle the abusive practice of non-payment of salary, reverse this pressure on union members to leave the union, and to find a business solution that will fix the artificial financial debt created through fraudulent dealings with STENKOM.

I anticipate your quick reply.

Sincerely,

Jyrki Raina  
General Secretary