ALL ABOUT ROȘIA MONTANĂ
FROM ROȘIA MONTANĂ

The Roșia Montană project in figures

- 1,346 hectares to be exploited,
- 2,388 hectares for which the company owns a licence,
- 300 hectares covered by a tailings management pond of heavy metals and cyanide, which will permanently endanger more than 6,000 people from the neighbouring areas,
- 4 mountains will be blasted away,
- 2,064 private properties will be relocated,
- 975 houses torn down, out of which 41 houses are considered national heritage sites,
- 7 churches demolished, blown up, or covered by the cyanide pond,
- 11 cemeteries will be relocated,
- 12,000 tons of cyanide used annually (a total of 240,000 tons of cyanide) are needed, and only 634 jobs will be created over a period of 17 years.¹

After more than 15 years during which numerous prestigious Romanian institutions, such as the Romanian Academy², the Academy of Economic Studies³ and specialized organisations such as the Romanian Architects' Association⁴, the civil society and churches have argued their opposition against the mining project—the Romanian Government is forcibly trying to adopt a law proposal in the Romanian Parliament, meant to completely destroy the area of Roșia Montana.

The title holder, the license and the contract with the Romanian state

Roșia Montană Gold Corporation (RMGC) is owned 80% by Gabriel Resources (TSX: GBU)—a small, inexperienced, financially limited Canadian mining company that wishes to relocate the Roșia Montană residents, in order to implement the greatest open-cast mine in Europe. The other 20% of the shares are held by Minvest, a state-owned mining company. Since its very beginnings, this project has caused a great deal of outrage, as it was riddled with operational problems and was met with categoric opposition at a local, national, as well as international level. The Newmont (NTSE: NEM) American mining company holds 10% of the Gabriel Resources shares as well.

The concession license for exploiting the gold and silver ore from the Roșia Montană area, Alba county no. 47/1999 was signed between the National Agency for Ore Resources (in Romanian: „Agentia Nationala pentru Resurse Minerale” and the National Copper, Gold and Iron Company „MINVEST” SA Deva (in Romanian: Compania Nationala a Cuprului, Aurului si Fierului „MINVEST” SA Deva) and approved through the Government Resolution no. 458/1999. Then, it was transferred to Roșia Montană Gold Corporation SA, along with all its annexes. The annexes were declared classified information under the decree 202/2003, signed by Mihail Ianas—the former president of the National Agency for Ore Resources.

¹ http://tinyurl.com/ProjectRMGC
² http://www.rosiamontana.org/stiri/declaratia-academiei-romane-cu-privire-la-proiectul-rosia-montana
³ http://www.rosiamontana.org/argumente/studiu-realizat-de-ase-referitor-la-proiectul-rosia-montana
The public's access to the information contained by this licence should have been the starting point of any honest and fair democratic debate on the costs and benefits of the mining exploitation project proposed at Roșia Montana. Although there have been countless requests to declassify the license and the contract signed by the Romanian state with the mining company, these remain classified to this day. Therefore, any declaration or reference made to potential compensations and their worth should this contract be terminated—is mere speculation.

The environmental impact

The open cast mine at Roșia Montană would be the largest scale exploitation of its kind in Europe; here, 13 times more sodium cyanide would be used than the entire quantity that is currently being used in Europe. Over the 17 years, 240.000 tons would be deployed in the industrial operation, i.e. the equivalent of 600.000.000.000 lethal doses for an adult. Four mountain massifs would be blasted away; the craters would have a diameter of over 8 km. The current village of Corna would be entirely covered by a tailings management pond, containing cyanide and heavy metals spread over 300 hectares. The stagnant cyanide would then be spread in the air as cyanhidric acid (which is what was used in Nazi concentration camps, albeit in higher doses), attaching itself to the dust particles and staying in the atmosphere for 1-3 years. The rockfill dam (made of compacted rock materials) would be 185 meters high and over 1 km in length. In Abrud, only 2 km downstream, there are over 6000 people resident.

Community impact

The mining project proposed by RMGC cannot be implemented without relocating the entire community, sacrificing the majority of people's private properties, public spaces and the existing places of worship. Roșia Montană, as we know it, will cease to exist. The traumatic aspect of uprootal has been proven many times before, so a project of this scale would need to demonstrate its public use to its citizens; which it has failed to do in the case of the Roșia Montană mining project. This project is a private one, implemented for individual profit, and despite its creating several hundreds of jobs, it cannot compensate for the medium and long-term social and environmental impact.

Australian researchers at Queensland University carried out a study in 2009 on the community in the case of the Newmont-owned Waihi mine (New Zealand), which has been presented as a model for Roșia Montana. The study of the community shows a prematurely aged population (in comparison with the average age of the population in the area), displaying a tendency to leave the area on completion of the exploitation, with a double number of individuals suffering from mental health issues, as well as a double number of disabled and socially assisted individuals (compared to the neighbouring communities). Besides having an income below the regional average, the community in question also displayed more cases of domestic violence, as well as drug and alcohol abuse.

National heritage impact

Roșia Montana is the oldest mining area that has been documented in Romania (1882 years old), with mines from Pre-Roman and Roman times, unique in the world, as well as several monument-buildings, all from different historical periods. All of these archaeological and cultural values are good reasons for the area to be included in the tentative list of UNESCO heritage sites; specific documentation has been compiled for this, and all that is needed is the signature of the Ministry of Culture and National Heritage. The company, however, promises 70 million dollars to the Ministry of Culture, in order that it would revoke the title of historical monument for all of these buildings, thus agreeing to their complete destruction. The attempt to protect this heritage, which cannot be compensated for in money, would have to take place in the middle of an active mining

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5 http://www.rosiamontana.org/argumente/scrisoare-deschisa-demisia-ministrului-economiei-in-falsa-desecretizare-a-contractului-de
area, between 4 craters where every day 10 tons of dynamite would be detonated; under these circumstances, it would be wholly impossible.

The exceptional significance of our cultural and natural heritage, as well as the serious danger that threatens it have led to Roșia Montana being enlisted in the „7 Most Endangered” programme - Europa Nostra.

The fictitious job creation

According to the feasibility study carried out by Washington Group International in 2005-2006 and adopted by Roșia Montană Gold Corporation there will be a total of 634 jobs during the exploitation stage; these jobs are not strictly the so called 'direct' ones, connected to the mine and the factory, but also the indirect ones, in administration, accounting, IT, supply, human resources, public relations, legal department, heritage, etc. In the most optimistic of scenarios, only a part of the 1,600 unemployed in Roșia will find employment.

Furthermore, the impact studies carried out in other mining areas (for example, in South Africa) have shown that actually, mining exploitations destroy the real local economy. More often than not, these mining companies do not employ unemployed people, but rather qualified professionals who already have a job in the area. By offering people a salary that is higher than local firms can afford, mining exploitations end up by bankrupting the local, developing firms and swelling the numbers of the unemployed.

On cyanide mining in Europe and across the world

Currently, gold mining has largely become a chemical process utilising dangerous substances. In Europe, cyanide mining is currently used in Sweden and Sardinia. It would not be wholly accurate to say that the Swedish society Boliden which does the exploiting in Sweden has a spotless record of safe mining practices. In 1998, toxic waste dumping at the zinc mine „Los Frailes” of Boliden Apirsa in South Spain, had disastrous consequences on the ecosystem in the humid area of Doñana and the local communities.

In October 2000, Boliden Apirsa filed for bankruptcy, and in September 2001, Boliden shut down the Los Frailes mine, laying off all of its 425 employees. The greening costs rose to 240 million dollars.

There is no cyanide based mining activity in Romania at the moment.

However, Romania is known as the country with the most severe accidents caused by dam disintegration of two cyanide tailings management ponds: Certej (1971) and Baia Mare (2000). The Certej accident is known as the gravest tragedy in peaceful times in the 1970's. The broken dam and the overflowing tailings have caused the death of 86 people and injured 76. After the Baia Mare accident, Romania was forced to pay 100 million dollars damages to Hungary. The company 'Aurul' did not receive any sanctions whatsoever, the shareholders filing for bankruptcy and taking their huge profit elsewhere for investment.

Since the Baia Mare disaster in 2000, at least 25 accidents caused by cyanide tailings have

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8 http://simpara.ro/rosia-montana-o-preocupare-europeana-553.htm
9 Marcel Heroiu şi-a luat doctoratul în Economie – Dezvoltare Regională la Cornell University, New York, și lucrează pentru Banca Mondială.
10 www.faracianura.ro
11 http://en.wikipedia.org/wiki/Do%C3%B1ana_disaster
been reported throughout mining areas in the world. Two of these accidents took place in mines that have signed the International Cyanide Management Code\textsuperscript{15}, a voluntary initiative meant to reduce cyanide waste.

In 2010, the members of the European Parliament voted for a resolution that generally bans the use of cyanide based mining technologies with 488 in favour, 48 against and 57 abstentions. Unfortunately, the European Commission left the implementation of this law in the national legislation to the discretion of the member states. The Czech Republic, Hungary, Costa Rica, several of the provinces in Argentina, the American states Montanas and Wisconsin, as well as Germany – have all banned the use of cyanide in mining practices\textsuperscript{16}.

Up until the summer of 2013, over 20 mining warrants favouring the mining project were rejected in the courts of law. From urban planning certificates, to archaeological discharge certificates and other administrative documentation – all have been consistently rejected by the Romanian justice system. In this context, the law of Roșia Montană's destruction proposes 20 exceptional derogations from the current legislation, all proposing several attributions that the mining company would receive.

On the procedure of the environmental agreement

The Environmental Impact Assessment procedure\textsuperscript{17} (the EIA procedure) for the Rosia Montană Gold Corporation (RMGC) started in 2004. Being extremely complex and technical, the procedure included studies presented by the mining company, public consultations, counter-studies and meetings of the Technical Analysis Committee (TAC), which has been created on an ad-hoc basis within the Ministry for the Environment.

The EIA procedure is meant to be the procedure that identifies, describes and assesses, appropriately and objectively, the direct and indirect effects of a project on all environmental factors, including cultural heritage assets; it is also meant to assess the impact on the community, within the set of interactions and conditions that ensure that quality of life and the fundamental right to live in a healthy environment are respected.

The document that the EIA procedure ends with, i.e. the environment agreement, defines the acceptability of the project from the viewpoint of environmental criteria. At the time of writing this document, the EIA procedure is still being finalized. The Ministry for the Environment, via its minister Rovana Plumb, has declared that a decision in the case of Roșia Montană will soon be made public.

On the local community which opposes the mining project

The Alburnus Maior association is an NGO based in Rosia Montană, Alba county, and represents the interests of those inhabitants from Roșia Montană and Bucium who are opposed to the Roșia Montană project and who refuse to give up their private properties for the sake of the mining project. The association was founded on the 8th of September 2000 and has been opposing the open cast mining project proposed by Roșia Montana Gold Corporation, out of social, environmental, economic and national heritage concerns. The project proposed uses cyanide and aims to be the largest open-cast mining undertaking in Europe.

The association has initiated and has been coordinating the campaign “Save Roșia Montană” which, over the 12 years of its existence, has become the largest social and environmental movement in Romania.

The “Save Roșia Montana” campaign has taken action in each stage of the authorization process of the mining project, emphasising the weak points of the project by relying on independent

\textsuperscript{15} International Cyanide Management Code,
\textsuperscript{16} http://www.rainforestinfo.org.au/gold/Bans.html
\textsuperscript{17} http://tinyurl.com/TotulDespreAcorduldeMediu
specialists. The public has been informed and encouraged to express themselves each time the procedure or the developing events so required. Thus, the SRM campaign has now gathered over 100,000 active supporters.

www.rosiamontana.org