

CASE STUDY, LOCAL COMMUNITIES

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Rosia Montana: Gold Mine Proposal Provokes International Opposition

Location: 2,500 year old village in Transylvania/ Romania

Problem: Proposed project to build largest open cast cyanide leach gold mine in Europe

Affected community: 2000 residents in the Rosa Montana and Corna Valley

Mining Company: Canadian mining company Gabriel Resources

Strong local opposition to Gabriel Resources Rosa Montana gold mining project emerged almost immediately in 2000 when Canadian mining junior, Gabriel Resources, announced its intentions to destroy the historic village of Rosia Montana by building the largest open-cast gold mine in Europe. Resistance to the project has since spread across Romania and Europe. Gabriel Resources was founded for the sole purpose of developing this mining project. At full production, the mine will evacuate 500,000 tons of rock per week and use between 13-15 million kilograms of cyanide per year.

In 2002, the International Finance Corporation, part of the World Bank Group, turned down Gabriel Resources' application for financing, explaining that "there were significant environmental and social issues connected with the project."¹ In 2003, the country's highest scientific body, the Romanian Academy, stated its opposition to the project, a position it re-affirmed in February 2006, after finding that the mine would not bring sustainable development or solve the area's social and economic problems, and would have negative effects on the environment. ICOMOS², the archaeological consultant of UNESCO has passed several resolutions warning against the destruction posed by Gabriel's development to Rosia Montana's unique archaeological treasures dating from Roman and pre-Roman times. The Orthodox Church, Romania's largest, owns cemeteries, forest, arable land and historic monuments at Rosia Montana and refuses to sell its properties. On March 23, 2006, the CEO of Gabriel Resources, Alan Hill, confirmed in an interview³ that his company intends to expropriate anyone refusing to leave peacefully. "There is forced unemployment or forced expropriation. Which one do you want?" he asked. A poll conducted by Romania's 'Ziua' daily newspaper on April 4, 2004 showed that 92% of its readers oppose Gabriel's project. The widespread public opinion is that this development embodies the worst corruption of the political class.⁴ In December 2004, the European Parliament adopted a resolution expressing "its deep concern about the long transitional periods agreed regarding the environment chapter, particularly regarding the Rosia Montana mine development, which poses a serious environmental threat to the whole region."⁵ Romania joined the European Union on 1. January 2007.

The mine poses wider regional environmental threats in the event of any spills. A representative of the Hungarian government declared during an official visit to Bucharest in October 2005, "It is of the highest priority for the Hungarian Government that the Rosia Montana gold mine investment is never realized....The Rosia Montana project given its sheer size could not only affect the immediate area, but, in the event of a spill, would also affect the Tisa Basin." Hungarian government concerns have been heightened due to a January 2000 cyanide spill at a different gold operation in northern Romania that released some 100,000 tons of contaminated wastewater into the Tisza River, and eventually into the Danube--destroying 1,240 tons of fish and polluting the drinking water supplies of 2.5 million people.⁶

¹ Wall Street Journal, October 11, 2002, *Romanian Gold-Mine Loan Blocked by World Bank Chief*. Bloomberg News, 11. October 2002, World Bank halts on Gabriel Resource's Romanian Mine.

² International Council on Monuments and Sites at www.icomos.org

³ http://www.daily-news.ro/article_detail.php?idarticle=24246

⁴ <http://www.rosiamontana.org/>

⁵ <http://www2.europarl.eu.int/omk/sipade2?PUBREF=-//EP//TEXT+TA+P6-TA-2004-0111+0+DOC+XML+V0//EN&LEVEL=3&NAV=X>

⁶ http://www.miningwatch.ca/index.php?Gabriel_Resources/AMjan06

After releasing its expert assessment of Gabriel Resource's Environmental Impact Assessment (EIA) report in October 2006, the Hungarian ministry for the Environment has asked the Romanian authorities not to endorse the Environmental Impact Assessment (EIA) Report for the proposed Rosia Montana gold/silver mine. The experts involved in the analysis assessed that the document contains significant deficiencies and false basic conclusions.⁷

In November 2006 the European Parliament's Foreign Affairs Committee voted on reports concerning EU enlargement. MEPs adopted the final report on Romania; taking its final opportunity to review the situation of this country ahead of its accession and to draw attention to areas where action is still needed. A relevant passage of the report reads as follows: "Also, Romania should speed up the processing of claims relating to the restitution of properties confiscated by the communist regime and should make further efforts in protecting the environment, with special reference to the mining in Rosia Montana."⁸

According to an opinion poll carried out by a Deputy Commission of the Romanian parliament inviting Romania's public to comment on the Rosia Montana mine proposal as of 22 January 2007, 96% out of a total of over 6000 participants explicitly voted against Gabriel's Rosia Montana gold mine proposal.⁹

"The destruction of the Rosia Montana community - with a history of well over 2,000 years - by resettling the population, demolishing houses (including historical monuments) and churches, as well as resettling cemeteries, is unacceptable and is reminiscent of a period everybody thinks is over." Romanian Academy of Sciences, February 2006¹⁰

⁷ <http://www.kvvm.hu>

⁸ http://www.europarl.europa.eu/news/expert/infopress_page/027-733-333-11-48-903-20061129IPR00711-29-11-2006-2006-false/default_ro.htm

⁹ http://www.cdep.ro/informatii_publice/forum.dispPost?subid=1

¹⁰ http://www.daily-news.ro/article_detail.php?idarticle=23297