

Canadian Mine Threatens Romanian Town

By Jo Wood

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A Canadian-based mining company, Gabriel Resources, Ltd., listed on the Toronto stock exchange, registered in Barbados, is actively attempting to develop Europe's largest open-pit gold mining project in Rosia Montana; a beautiful, historic and densely populated area of Romania. Having recently spent six months in Romania and made several visits to Rosia Montana, I witnessed the impact of this project on the area. I am appalled that Canadian money and the Canadian government are supporting this irresponsible and immoral project.

The vastness of this open-cast mining project is hard to contemplate. Five mountains will be blown up and Rosia Montana will cease to exist. Twenty tons of dynamite will blast the area daily. A million units of rock will be processed to obtain one unit of gold using cyanide to extract the gold. The neighbouring valley of Corna will also disappear, being covered by a tailings "pond" of metal sludge, consisting of pulverised rock in cyanide-laced water left over from the gold extraction. The dam that holds back this sludge lake, to be built by piling up rocks from the mine, is expected to rise 180-metres high (the equivalent of a 60-storey building).



Rosia Montana

Corna Valley

The human cost is enormous. Over 2000 people will have to be moved from the area. Seven hundred forty small farms will forever be destroyed in exchange for an estimated 248 direct mining jobs over fourteen years. Priceless Dacian and Roman archeological remains, including several unique Roman mine galleries will be destroyed. Nine churches and ten cemeteries are in the path of the development. Already, there has been a terrible human cost to the project, because Gabriel's relocation and resettlement programme has been ongoing for two years; even though the required environmental approval for the operation has not yet been given and formal consent of the affected community through public consultations has not been obtained. According to Romanian and international law, this is illegal. The company buys homes at better than market value, while at the same time threatening that home owners will get nothing if they wait until the approval is granted and expropriation begins. As each house is sold, RMGC puts up a plaque, "Property of Rosia Montana Gold Corporation." As you walk through the town,

you will see a block effect. As one house in a block is sold, neighbors give up as well. Approximately 36% of the homes have so been sold. The tension in the remaining community is immense, divided almost equally between those who will resist until the end and those who are confused, wavering or hoping for a better price.

A local Rosia Montana group called Alburnus Maior, the original Roman name for Rosia Montana, is fighting to stop the project. This group of property owners is joined by environmentalists, historians, archaeologists, and human rights advocates. The resistance movement has had many successes in its four years of opposition. In the financial realm, the International Monetary Fund of the World Bank decided against investment when they learned more about the project. Canadian funding sadly, keeps coming. In early September, 2003 Gabriel announced new \$45,750,000 "Bought Deal" financing by a consortium co-led by Griffiths McBurney & Partners and BMO Nesbitt Burns, also including CIBC World Markets, Dundee Securities and TD Securities.



In Rosia Montana, I was often asked why Canadian people would finance this project, with all of its obvious flaws. I answered that many Canadians would not invest if they understood the human and environmental impact. When I asked what I could do to help, the response was, "Stop the funding from Canada. It is our biggest problem." Thus, at a public meeting there, I said that I would let as many Canadians as possible know about this ugly investment. The village priest, who has lived in Rosia Montana all his life and wants to be buried there, had tears of hope in his eyes as he thanked me for this small gesture.

Author being questioned by the press.

What can Canadians do?

Call any financial institutions where you have money – banks, pension funds, mutual funds, stock brokers, etc. to find out whether you hold Gabriel stock. Get rid of it if you can or register your complaint. If you have dealings with any of the institutions funding the bought deal, complain.

Let our government know you do not want Canada involved in this kind of unsustainable project overseas. You can write or email to Paul Martin with copies to ministers involved in foreign affairs and trade: Paul Martin, Prime Minister, pm@pm.gc.ca; Bill Graham, Minister of Foreign Affairs, Graham.B@parl.gc.ca, and Jim Peterson, Minister of International Trade, Peterson.J@parl.gc.ca

Write or email to the Canadian Embassy in Romania, asking them to visit Rosia Montana and hold a meet with those who oppose the deal as well as those who support it. The Embassy issued a statement in November, 2003 that said "The information we have indicates that Gabriel

Resources has been and continues to act in full respect of all the laws, and the highest norms and standards, local and international, applying to the mining industry.” Mr. Franco Pillarella, Ambassador and Mr. Gilles Potvin, Counsellor (Commercial), bucst-td@dfait-maeci.gc.ca.

Visit the Alburnus Maior website, www.rosiamontana.org. Sign their petition or make a donation to help in the struggle.

Contact Jo Wood at 565-5959 or jo_wood@sympatico.ca if you would like a slide presentation on the Rosia Montana mining project. A short video, “The Faces of Greed” can also be shown.