

This factsheet is part of a series of case studies on contested mining projects, developed by civil society organisations. The factsheets illustrate the structural problems associated with mining projects in Europe and beyond, with a view to integrate the experiences of front line communities in EU policies.

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Authors: Ecou Rovina Bucureșci Association, MiningWatch Romania **Designer:** Andreas Budiman (European Environmental Bureau)

Photos: MiningWatch Romania, Viorica Delia Bold (Ecou Rovina Bucureșci Association)

Contact

Ecou Rovina Bucureșci Association (vio.bold@gmail.com) MiningWatch Romania (contact@miningwatch.ro)

1. BASIC INFORMATION

Municipality: Bucureșci, Hunedoara county, Romania

Companies: Euro Sun Mining (CA), Samax Romania (BVI), Glencore (CH)

Minerals: Gold, copper Mining technique: Open-pit mine

Total concession: 2770 hectares (27,7 km²) Mining area: 470 hectares (4,7 km²)



GENERAL DESCRIPTION

The Rovina Valley gold-copper mining project has raised significant concerns related to transparency, environmental impact, and potential conflicts of interest. The mining license was granted to a British Virgin Island offshore company, raising questions about the transparency of the bidding process and whether all relevant factors, such as socio-environmental responsibility, including during project closure, were considered. In environmental terms, the Rovina project is particularly concerning due to the significant environmental risk posed by a subterranean river deviation and large-scale tailings structures of the mine consisting of two open-pits at the Colnic and Rovina deposits. Residents in the area are concerned about their future, as traditional livelihoods and nature tourism are put at risk by the project, with numerous farms to be expropriated to the west of Rovina. An environmental permit issued for the project was annulled in early 2024 due to numerous shortcomings of the project proposal and its environmental impact assessment.

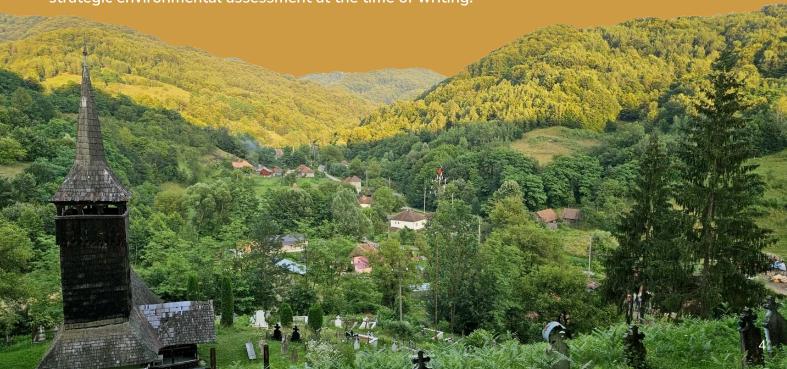
2. PERMITTING HISTORY & EIA STATUS

Toronto-based Euro Sun Mining Carpathian (formerly acquired an exploration license in the Apuseni Mountains' Rovina area in 2005 through its British Virgin Island subsidiary Samax Romania. discovering After allegedly Europe's second-largest gold deposit and also copper resources in 2012, the proponent sought for an exploitation license, which was approved by the Romanian mining authority.



Subsequently, the Romanian Ministry of Environment, Water and Forests has been responsible for issuing environmental permits and overseeing the project's compliance with environmental regulations. An environmental permit was issued by the Ministry in July 2021, and later <u>revoked by the courts in October 2023</u> due to procedural errors during the environmental impact assessment, such as the lack of consideration of cross-border impacts, impacts on habitats, climate change, and water resources.

In the wake of the court decision, Euro Sun met with high-level government officials of Romania in early 2024, and sought to revive the project under the premises of the Critical Raw Materials Act (CRMA), including with an application for strategic project status that would allow for fast-tracked permitting. In October 2024, Euro Sun announced a memorandum for a possible offtake with Swiss multinational commodity and mining company Glencore. The project awaits strategic environmental assessment at the time of writing.



3. PROJECT SUSTAINABILITY

Given the project's scale and the area of deforestation (200 ha), the company did not follow the required transboundary procedures. NGOs concluded that pollution could possibly reach neighboring countries, which was confirmed by the <u>2024 court decision</u> revoking the environmental permit, e.g. through the Crişuri Orade groundwater body (ROCR01) and the Crişul Alb River extending into neighboring Hungary.

Apart from the possibly significant transboundary impacts on surface and groundwater bodies, the court decision concluded that the illicitly licensed project proposal lacked essential evaluations required by national and European legislation. The mentioned insufficiencies included a comprehensive study on climate change and long-term impacts, an analysis of the risks posed by the unlined (upstream) tailings dams including a dam failure assessment, and an evaluation of possibly significant impacts on the Rovina Valley stream and Natura 2000 protected areas as close as 1.4 km to the project area. An expert proposal to reduce the impacts and risks associated with the project by underground mining instead of open-pit exploitation was not taken into consideration by the proponent so far.

3.1 SOCIO-ECONOMIC IMPACTS

The project has faced significant opposition from environmental groups and local communities due to concerns about potential water pollution, deforestation, and damage to the local ecosystem. The company estimates a maximum of 150 employees for the project, while local communities are in doubt if the qualification requirements for most of the positions will actually be to their benefit. A technical assessment made during the court case questioning the environmental permit of the project claimed that compensation for families directly affected by the project, as well as the general risk posed to public health, including impacts on drinking water, were not sufficiently taken into account by the proponent. The plans for a mining waste storage facility to the west of Rovina would imply the expropriation and resettlement of at least six farms and families.



3.2 STAKEHOLDER ENGAGEMENT

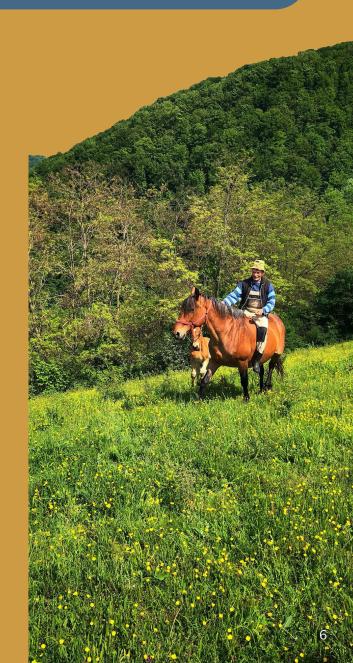
From 2021 to 2024, Samax organized a series of meetings with locals and representatives from the local administration, deliberately excluding those who opposed the project and thus impeding any meaningful engagement. During these sessions, benefits of the project were highlighted while negative impacts on the environment or public health were negated, thus preventing a balanced opinion-making of the public, leading to trust issues among locals and exacerbated inequality and social divides.

Similar disinformation campaigns were carried out through social media and through mainstream media. News pieces promised substantial job creation, while claiming that the project would bring long-lasting change to the economically underdeveloped region. Apart from the media campaigning, Samax pursued social support projects, such as a funeral building or transportation services, which remained mostly without use, as local customs were not consulted and taken into account.

4. SOCIETAL OPPOSITION AND LITIGATION

Most of the local population as well as (inter)national eNGOs reject the mining project since it threatens the Rovina communities with extensive socio-ecological impacts, as evidenced by the organised opposition at local level that have been taking place since 2015. In 2022, 15.917 citizens signed a petition rejecting the potential impacts of the mining project and calling for the Ministry of Environment of the Romanian Parliament to officially evaluate the environmental impact of the project.

The national NGO Declic and EcouRovinaBucureșci association, representing the local community, filed lawsuits against Samax and the Romanian Ministry of Environment. Their objective was to first suspend and later, in 2023, revoke the environmental permits granted for deforestation and open-pit mining in the Rovina Valley.



5. FINANCIAL FEASIBILITY

By international standards, the copper and gold ore grades of the Rovina Valley project are considered very low-grade to low-grade resources, respectively (0.16% Cu, 0.42 g/t Au). With a copper grade less than half of the Rosia Poieni copper mine in central Romania and dozens of times below operative open-pit copper mines in Spain or Greece, the project struggles with questionable economic feasibility.

Notwithstanding lower energy prices in Nordic countries that favor low-grade rock grinding operations, Rovina's resources in copper and gold remain below what is currently considered economically viable reserves at operative mines, even at what European low-grade multi-metal projects claimed for their world-class efficiency, such as Boliden's Aitik and Kevitsa open-pit mines in Sweden and Finland.

















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