

Meeting Minute no. 111/07.06.2007

Concluded today, 07th of June 2007 during the third meeting of the Workgroup established for the development of the environmental assessment procedure, with the purpose of preparing the Environmental Report for the Zonal Urban Plan entitled “Alteration of Zonal Urban Plan – Industrial Area Rosia Montana”.

Mr. Horea Avram opens the meeting session with a presentation of the meeting agenda:

1. The environmental protection objectives relevant for Alteration of Zonal Urban Plan (ZUP) Industrial Area Rosia Montana
2. The methodology for the assessment of environmental impacts generated by ZUP Industrial Area Rosia Montana
3. Assessment of potential significant environmental impacts associated with ZUP Industrial Area Rosia Montana
4. Conclusions and comments upon the draft of the Report

Mr. Horea Avram gives the floor to Mrs. Serban in order to allow her to present the process of preparing the Environmental Report for the plan in question: content, objectives, targets and indicators, assessment matrixes.

Mrs. Serban starts by asking the participants if they have any questions after reading the first preliminary version of the Environmental Report, sent by email to everyone.

Due to the fact that there are no questions, Mrs. Serban begins to present the environmental objectives, stating that these have been established with the help of the Workgroup in full compliance with the legal requirements (Governmental Decision 1076/2004), stating that upon establishing these objectives, the local and regional environmental objectives have been considered. The latter objectives have been established through the Local Environmental Action Plan of Alba County and through the Regional Environmental Action Plan – 7 Center Region.

These objectives have been established for each of the 13 environmental factors agreed by the members of the workgroup during the previous meetings, being imposed by the need to protect environment and to meet the legal requirements.

In the case of Alteration of ZUP Industrial Area Rosia Montana, it has been decided within the workgroup to establish 2 categories of objectives:

- Strategic Environmental Objectives – a synthesis, objectives established at national, community or international level

- Specific Environmental Objectives – result from the environmental policies and include local and regional objectives being specific to each factor/aspect of the environment that are relevant for the plan

The targets are a summary of the measures and actions provided in RMGC's management plans, necessary to meet the environmental objectives.

The indicators have been identified so as to allow preparation of proposals on monitoring environmental performance of industrial activities, as well as the environmental impacts of implementing the plan.

Under the terms of Governmental Decision 1076/2004, the Environmental Report must highlight the significant environmental impacts cause by the implementation of the proposed plan. The impact categories that will summarize the environmental impacts will be used. 6 categories of impact have been identified for Rosia Montana Mining Project:

- Significant positive impact
- Positive impact
- Neutral impact
- Insignificant negative impact
- Negative impact
- Significant negative impact

Mr. Mihut proposes a diagram to be introduced so as to allow impact assessment for certain components.

Mrs. Serban states that if introduced, a diagram must be used for all components. Grades ranging from 1 to 6 are proposed to be awarded. Mr. Mihut still proposes a drawing to be used.

Mr. Marginean wants to know if the analysis is a quantitative or a qualitative one.

Mrs. Serban: the analysis is more qualitative and was made based on the modelling and assessments of the experts. The approach is from strategic point of view apart from the impact study approach that is more quantitative.

Mr. Marginean – at OSPA everything is expressed in numbers.

Mr.s Serban: In SEA it isn't expressed in numbers.

Mrs. Serban continues the presentation of Report. Environmental assessment criteria to establish potential significant environmental impacts. She is provided examples related to the population: infrastructure, demography, social connections and quality of life, access, economy, together with several comments. Details are presented in the 34 volumes of the EIA.

The representative of Sibiu Environmental Agency is taking the floor: the impact study is under the analysis of the Ministry of Environment. The Agency will not analyze the same document. That documents was not accepted and therefore we are unable to accept as valid the information from the Impact Study because it was not accepted by the Ministry.

Mr. Avram: From the point of view of Ministry it is a question about requesting additional information and not about accepting the report. As long as the EIA Report was not rejected, there is no question about its non acceptance.

Mrs. Serban: The re-publication of the EIA within the SEA was not intended.

Mrs. Barbat: No reference to the EIA is wanted in the SEA.

Sibiu Environmental Agency representative: other documents seen as relevant must be used. We are discussing within the SEA the land use from the area. Within the SEA we discuss major alterations brought to the ZUP of the industrial area.

Mrs. Szentesy states that the alterations are minor and are the result of the public consultations and are meant to minimize the impact by increasing the protected area. We have a ZUP for the industrial area and a ZUP for the protected area.

Sibiu Environmental Agency representative: the purpose of the Environmental Report is to see if there are viable alternatives, we do not try to see how good the alternatives are.

Mrs. Serban: The alternatives are referring to alternatives to gold and silver mining and not other alternatives (like for instance, a project that proposes the improvement of the situation existing in the area by using some resources, like mushrooms).

Sibiu Environmental Agency representative: the alterations brought to the 2002 ZUP are important and major. Usage of the lands from the entire north side was not initially proposed.

Mrs. Szentesy: it was proposed for the second stage of the project. It was not presented in detail due to the fact that the 2002 ZUP validity was 5 years and was not covering the second stage of the Project.

Sibiu Environmental Agency representative: The plan was approved up to a certain limit of the industrial area and that area is now largely altered.

Mrs. Szentesy: We are presenting a large picture of the Mining Project because the validity of the ZUP is maximum 10 years. We have the same surface provided in both ZUPs with a very small difference.

Public Health Authority representative, Mrs. Vacariu: The environmental problems are not in the scope of its institution. The impact upon population is seen only as a positive one. But, legally, a Health Impact Study must be requested to include the outline of the sanitary protection area (among industrial sites and protected areas) and to present the health program, indicators that need to be followed and who must conduct the monitoring process.

Upon permitting the Project and within the ZUP the town boundaries must be stated so as subsequently they will not cross the sanitary protection area.

Mrs. Serban: We encountered situations where industrial sites of over 100 years old had construction permits issued around them, therefore if the site was hundreds of meters away from houses, now it is at tens of meters from them. The reversed process starts, and the population complains about pollution from the industry.

Mrs. Vacariu: Alba Iulia Mayoralty intended to extend the outskirts of our town and did that by having a Health Impact Assessment Study.

Mrs. Serban: If no alterations are brought to the industrial area and claims occur, who settles those?

Mrs. Vacariu: We haven't face any complaints, but I believe that it will be used the right of the first that comes.

The 117 Order says that if the authorities believe as necessary, a health impact assessment may be requested to be prepared. It is believed that a tourist interest may appear in the future and when that occurs, the cabins construction must not interfere with the sanitary protection area.

Mrs. Szentesy states that the industrial area impacts only 4 of the 16 villages of Rosia Montana Commune, to be exact 25% of the commune's territory is impacted and construction restrictions exist within this impacted area of the project as per the 2002 already approved plan.

Mrs. Vacariu: Is there a clear specification of the sanitary and environmental experts with respect to the fact that the sanitary protection area is an area clearly outlined?

Mrs. Szentesy: No.

Mrs. Vacariu: I have suggested that this report should be included in the industrial project.

Mr. Avram: We will have such a report for sure upon applying for the sanitary permit.

Mrs. Cerga: In the Governmental Decision 1076/2004, annex 1, there are several assessment criteria based on which the subsequent impacts are determined. One of the impacts that need to be assessed is the transboundary impact that I did not find.

Mrs. Serban answers that the respective impact can be found in Chapter 7, under Assessment. The situation in which a failure occurs at the dam is discussed. This is the worst case scenario that could in theory generate transboundary impacts, to be more precise, these are impacts on the quality of surface waters. For the assessment, a mathematical modelling has been prepared on the cyanides and heavy metals concentrations existing within the drainage area of Aries, Mures and Tisa over passing the town of Szeged (Hungary).

Mrs. Cerga: I would like to add that in this case of this transboundary impact, its translation in English is wanted so as to have both versions, Romanian and English, at the central authority, enabling the authority to notify the neighbouring impacted countries that are interested in the plan.

Mr. Avram: on what do you base your suspicions that there will be an impact provided that the modelling prepared by United Kingdom University concludes that there is no impact?

Sibiu Environmental Agency representative: We will need to have this approach. If this will not exist, at a certain moment when we are force to go back in time because there is a possibility to have the neighbouring states interested.

Sibiu Environmental Agency representative: You were saying that we are on the verge of completing the Report and we will forward the plan for being endorsed. But the stage of publishing the report follows, the public consultation, receiving the comments and proposals of the public, therefore: 60 days when the documents must be prepared.

Mrs. Serban: For each of the 13 environmental factors we have stated the environmental impact and in the end the residual impact was assessed by taking into account the assessment criteria and impact categories. 13 matrixes have been prepared, one for each environmental factor/aspect.

Moreover, there is a matrix prepared on the cumulated impacts. The most important impacts are the cumulated ones. We have tried to summarize the results secured for each of the 13 factors. The third column presents those interactions that may exist between the environmental factors.

The alternatives to several technologies and components of the project are:

- Alternatives regarding the area of the industrial area
- Alternatives regarding the date of initiation of the mining activities
- Alternatives regarding the production rate
- Alternatives regarding the location of several sites of the mining project (open pits, tailings management facility, inert wastes dump)
- Alternatives regarding the technological processes and the main measures for preventing/mitigating the environmental impact
- Alternatives regarding the road infrastructure/transport
- Alternatives regarding other facilities related to the mining activities (accommodation of the personnel, domestic wastes dump, treatment plants)
- Alternatives regarding closure of mining activities

Within each subchapter, these alternatives are presented.

The surface was altered. The protected area increased from 15 to 135ha to date, and also the protection area of the protected area has been increased.

The [production rate: the 13 million tons per annum rate has been considered as optimum.

Sibiu Environmental Agency representative: this report must present alternatives of the plan. To the road infrastructure, the roads may have several options. These alternatives must be presented, together with the reasoning from environmental point of view for which the respective option has been selected.

Mrs. Serban: the report contains these aspects. Moreover, the alternatives of transport in Romania for imported materials and chemical substances.

Mr. Avram: the information that we have currently have been used. There is a study prepared in 2002 starting from Constanta to Rosia Montana that will be reviewed and adapted to the operational stage.

Sibiu Environmental Agency representative asks if protocols have been concluded with other companies to use these routes or the existing facilities.

Mrs. Szentesy: We paid a special attention to the local authorities that are not challenging this route. Within the meeting minutes there isn't any specification related to the contestation of this route. Public presentations were organized in the impacted localities and the local councils issued their principle permit for ZUP Industrial Area.

Sibiu Environmental Agency representative: In Abrud has been raised an issue that was previously outside the limit of the ZUP area and now is inside that limit.

Mrs. Szentesy: the limit of the construction area is approved in Abrud General Urbanism Plan (GUP).

NAMR representative: in 2002, the ZUP did not reach the limit of the National Road 74 and now it reaches that National Road.

Mrs. Szentesy: ZUP stipulates a protection area. The area you are talking about is the protection area.

ZUP is a detailed plan that alters GUP within that particular area, Abrud GUP is already approved and includes all alterations presented in the ZUP Industrial Area

Mrs. Plesa-Abrud Mayorality: This is also our problem. We want to alter the approved GUP within the protection area through a ZUP prepared for this particular area.

Sibiu Environmental Agency representative: the 0 Alternative is not presented. It is a requirement though.

Mrs. Serban: It is not provided for the report, but if it is wanted we can include it. It is included in the Environmental Report under subchapter 3.3. dealing with the probable evolution of the environment in the absence of the plan.

Representative of AN Romanian Waters – Targu Mures: I would like to see a closure plan for the activities of Minvest, I would like to see an overlapping of the lands owned by Minvest with the lands owned by RMGC. What will be under the operation of RMGC from the land covered by the former mine?

Mrs. Szentesy: Most of the Rosiamin operational area will be under RMGC.

Representative of AN Romanian Waters – Targu Mures: I would like to know exactly what the sites that will no longer be managed by Minvest are, which will be subsequently managed by you.

Mrs. Szentesy: We presented them in the Urbanism Plan.

Representative of AN Romanian Waters – Targu Mures: The closure plan presents several activities that must be conducted.

Mrs. Szentesy: a plan where ZUP has the license area stipulated can be prepared, but the Closure Plan did not receive all necessary endorsements so as to be submitted to the Governmental Decision procedure and consequently the activities described in the plan cannot be initiated.

Representative of AN Romanian Waters – Targu Mures: The Closure Plan was submitted at Alba Environmental Protection Agency, National Agency for Mineral Resources and Ministry of Economy and Commerce.

Mrs. Szentesy: We would like you to tell us under what format would you like to see this overlapping.

Representative of AN Romanian Waters – Targu Mures: Under any format, because we did not see it so far.

Aries Hydro-technical System: You say that you will take over everything, but the mining sites still belong to Minvest.

Mrs. Szentesy: We will be able to take them over provided that we have an approved project.

Mrs. Szentesy projects and explains the map with the overlapping of the two perimeters.

Representative of AN Romanian Waters – Targu Mures: I would like to have such a plan so as to compare it with what has been provided by Minvest in the Closure Plan.

Aries Hydro-technical System: We do not want to grant 2 permits for 2 sites and not to have the problems solved by any party. When you will commit to the treatment of acid waters, then the project appears as beneficial to waters. Otherwise, the Romanian Government or Minvest will have to rehabilitate the site to a proper status through the Closure Plan, and you will not bring any improvements.

The approval of the Closure Plan has been given. We have given a permit for Minvest and we cannot grant you another one for the same area.

Mrs. Serban: With respect to other plans that are connected to the plan in discussion.

Sibiu Environmental Agency representative: The Plans exist, but some of them you haven't taken over. WHY? You took over three quarters and the rest you did not. We would like an explanation. We would like to know what the components of these plans that interact with your plan are and can they be integrated in it.

Sibiu Environmental Agency representative: We would like to see that there are no conclusions like: the plan has a positive impact, even from the beginning. Even from page 22 we see such formulation. We cannot use the term of positive impact with respect to an open pit.

Mr. Avram: It is about redesigning the routes of several industrial roads so as to increase the buffer zones and the positive impact results from here.

Sibiu Environmental Agency representative: can be formulated in a different manner without the term "positive impact". We are making these observations because SEA will be de product not only of the experts but also of the institutions present within the workgroup.

Mr. Avram: The Report will be signed by the experts and it will be stated that it has received recommendations from the institutions present within the workgroup.

Sibiu Environmental Agency representative: You will receive a written point of view from our party. Our expert study the Environmental Report on each chapter, we will have a meeting and we will formulate a point of view.

Mrs. Serban: Let's return to the conclusions chapter, regarding the current identified environmental issues, the poor socioeconomic situation, contamination of surface and underground waters, existence of large areas of impacted lands, soils that are mainly scheletic, strong impact on the biodiversity.

It would be good to think how we can improve these factors in the absence of substantial investments.

If no intervention occurs, the biodiversity will start to regenerate spontaneously only after 50-60 years.

The socio-economic status will be poorer in time because no other activities have been identified in the area.

The impact assessment is based on matrixes and the following conclusions have been drawn:

Population – the impact will be positive because the socio-economic conditions will be improved on a short, medium and long term.

Wastes Management – there will be a neutral impact on the quality of waters and soils and a negative impact on the land use (during construction and operational stages), but mitigated significantly during the post closure stage.

Water – neutral impact. On the other hand there will be a significant positive impact by resolving the existing acid waters issue.

Air – insignificant negative impact because in the air existing in areas with sensitive receptors some concentrations of particles and pollutants will occur but lower than the limit values. This impact may be seen as neutral, but is more accurate to consider it as being insignificant negative impact.

Noise and Vibrations – insignificant negative impact because the proposed mitigation measures will not cause situations of sound pollution and will not impact the population and construction.

Biodiversity, flora and fauna – negative impact during construction and operation stages, positive impact after closure of activities and rehabilitation of the area.

Cultural Heritage – significant positive impact following the action undertaken by RMGC so far. Significant funds have been invested in the archaeological research, historic monuments will be developed and galleries will be preserved.

Health – significant positive impact because many people use now potable water that is contaminated obtained from the underground water and there is no system of waste management in place.

Road infrastructure/transport – significant positive impact because the road infrastructure will be modernized.

Landscape – in the end there will be an insignificant negative impact. The only significant negative impact will be the fact that the relief will be differently configured.

Soil – neutral impact. For the soil existing outside the area no alterations will occur for their quality because the air pollutants that will be settled there will be in small quantities.

Material values – positive impact because the real estate transactions are honourable and advantageous, the recuperation of precious metals will be great and during construction materials from the area will be used.

Climatic factors – insignificant negative impact because although greenhouse gases will be released, the sources will disappear after mine closure.

We expect from you recommendations on the amendments that need to be taken for the document with respect to the analyzed urbanism plan. For the time being, only the ones that we believe as necessary have been mentioned.

It was felt as being necessary to have the presentation memorandum of the ZUP as a well structured document to highlight certain aspects and therefore those have been presented here.

We would like to remind that an Environmental Report agreed by authorities needs to be prepared, but to bring alterations to the ZUP, as necessary.

Mrs. Cerga – this is the problem with alternatives

Sibiu Environmental Agency representative: it is about land clearings and about the areas that will be cleared as per the new ZUP.

Mr. Mihut: there are areas that appear as forestry land, but in reality there is no forest there.

Sibiu Environmental Agency representative: This needs to be stated.

Sibiu Environmental Agency representative: Archaeological investigations proposed for Orlea, how long will they last?

Mr. Avram: Up to 2012

Sibiu Environmental Agency representative: They do not interfere with ZUP?

Mr. Avram: If necessary, a new model of ZUP will be prepared.

Mr. Marginean: Soil pollution. The sand that will impact the stripped soil. The soil through the implementation of the project will degrade even further.

Mr. Mihut: the vegetal soil stockpiles resulted from the stripping process will be stored, and upon recovering the soil, there will be several composting piles where the soil will be composted with organic matter in order to improve its quality. Only the surface part of the soil will maintain its qualities, the rest is unproductive soil. The soil quantity and quality are reduced, and subsequently it is possible for this activity to have success.

Mrs. Serban: We are assessing the soil from humus point of view, within an industrial site?

Mr. Marginean: I was talking about the soil from stockpiles.

Mr. Mihut: That is intended, a re-composted soil before recovering with topsoil. This process entails work conducted on benches.

Mrs. Serban asks about the end of the next week as a sufficient term for sending recommendations and amendments from participants.

Sibiu Environmental Agency representative states that there are several chapters that have not been sent yet and that need to be analyzed.

Sibiu Environmental Agency representative: In order to have sufficient analyzing time, we would like the term for sending the recommendations to be 20th of June 2007.

Mrs. Cerga: I believe that the Alternatives Assessment chapter is the most important.

Mr. Avram: It is a strategic assessment though, not an impact study.

Mrs. Cerga: Scenarios on alternatives can be presented.

Mr. Avram: We are discussing Rosia Montana ZUP and not Alba County ZUP.

Sibiu Environmental Agency representative: How it was concluded that Paraul Porcului Quarry is required? Why is an area impacted although it is already an environmental disaster? All these have been analyzed and must be presented.

Mrs. Serban: They are presented.

Sibiu Environmental Agency representative: Maybe in the chapter we have received.

Mrs. Serban: We believe that the transport of rocks from another site would be more pollutant due to the exhaust gases and at the same time more expensive.

Sibiu Environmental Agency representative: The idea is not to take our interventions as negative.

Mrs. Serban: That is not the case.

Sibiu Environmental Agency representative: We do not want to demonstrate how good is the initial plan, but to see what the alternatives are and why aren't them valid.

Mr. Avram: We will mention why the proposals of Alburnus Maior were not valid with respect to the area.

Sibiu Environmental Agency representative: From the analysis of the data we had, several omissions from the presentation of the Report result.

Mrs. Serban: We are proposing to close the meeting now.

Mrs. Szentesy: We will send chapters 8, 9, and 10 of the Report by morning.

**The Comments of the members of the workgroup are expected in writing until
20.06.2007.**