

# Explanatory Note to Chapter 1 – General Information

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## Detailed Contents:

### 1. Assessment of the Impact of Changes in the Relevant Legal Framework on the Project and/or the EIA Report

Based on a study of the relevant current legal framework, by contrast to the legal framework in place at the time of EIA report submission to the competent authority in order to obtain an Environmental Agreement, a few general comments are in order (in relation to the impact of the new legislative amendments in relation to the EIA Report).

Thus, it may be noted that the development of the domestic legal framework of relevance to the Project – by this meaning the whole of the body of regulations (laws, Romanian Government Ordinances and Decisions, Orders, instructions, procedures or technical norms of the relevant ministries and other authorities with regulatory competencies) hereinafter referred to, for easier reference, as the “legal framework” – is a direct and natural consequence of (i) the development of the Community and international legal framework and of (ii) legislative changes caused by the need to provide correct and full transposition of the existing *Acquis Communautaire* into national legislation since the development of the EIA Report. Some eloquent examples in this regard include: (i) Directive 2006/21/EC on the management of waste from extractive industries amending Directive 2004/35/EC and (ii) consistent amendment of Law No. 107/1996 – the Water Law, under Emergency Government Ordinance No. 3/2010 amending and completing Water Law No. 107/1996.

Therefore, the amendments to the legal framework are of relevance to the Project only to the extent that (i) new community norms emerged and were transposed into national legislation after the submission of the EIA Report to the competent authority and (ii) the EIA Report was developed exclusively based on the contents of the national norms in force (at the date of its preparation), with no regard for the contents of various Community directives, regulations, guidelines and policies based on which the national regulations were issued.

**In conclusion, by reviewing the impact of the development of the legal framework on the Project, that the EIA Report had considered not only the contents of the existing national legislation in force at the time (overlooking the manner and degree of implementation of the Community regulations), but also the primary Community legislation (on which the national regulations were based). Thus, the effects of the developments of the legal framework, due to correction and amendments in the transposition of the Community legal framework on the Project are non-existent (e.g. Directive 2006/21/EC on the management of waste from extractive industries amending Directive 2004/35/EC).**

We note that the legislative amendments contained in the current legal framework do not contain any restriction, limitation, or change in the parameters at which a project of the kind submitted for approval by a Titleholder may be developed in Romania, but require additional studies and analyses aimed to complement the environmental impact assessment in agreement with the *Acquis Communautaire* and to provide an additional degree of confidence in the Project safety and in reducing its impact on the environmental media. More detailed descriptions of the man changes operated in the legislative framework and in the way they may affect the Project are presented, where applicable, in the explanatory notes updating each chapter of the EIA Report, considering that, under the “General Information” chapter the focus is on a general introductory presentation of the Project. The following are some of the more important regulations mentioned in the EIA Report at this chapter and that have undergone changes:

- Emergency Government Ordinance No. 200/2000 – repealed by Emergency Government Ordinance No. 145/2008 this area being now regulated under Government Decision no. 1408/2008, transposing Directive 67/548/EEC.

The main amendments considered in the review of legal frame amendment impacts include: stipulation of the obligation to test and assess the properties of substances, in view of classification, under Regulation No. 1,907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), the stipulation o new principles in substance classification, labelling and publication of the list of dangerous substances that need to be classified and labelled, the stipulation of bans on the placing on the market of certain substances, as such or in preparations, that have not been packaged and labelled under the law, or on which information under REACH has not been provided; new labelling rules.

- Governmental Decision No. 95/2003, repealed by Government Decision No. 804/2007, as amended by Government Decision No. 79/2009 implementing Council Directive 96/82/EC a amended by Directive 2003/105/EC;

The main amendments to the legal framework initially provided by Government decision No 95/2003 now reflected by Government Decision No. 804/2007 include: the obligation to inform regularly on any change of site or installation that might lead to the increase of hazard in causing a major accident; a change of deadline for the submission of safety Reports and development of the internal (developed by the Operators) and external (developed by the authorities) emergency plans; the obligation to inform the competent public authorities at county level on the occurrence of any major accident within two hours.

## **2. Updates to Chapter 1 – “General Informtion”**

### **2.1. Introduction**

Compared to the information included in the EIA Report, it is worth noting that Roşia Montană mine, operated by C.N.C.A.F. MINVEST S.A. Deva – Roşiamin S.A. Branch in Roşia Montană closed its activities on 15 May 2006. The closure was mainly due to Romania’s EU accession commitments in that it no longer permits the operation of mines subsidised from the State budget Under the Mining Law, a closure plan was developed, providing for the decommissioning of equipment and installations, and the rehabilitation of environmental damage caused throughout the lifetime of the mine, these liabilities belonging to C.N.C.A.F. MINVEST S.A. Deva. “Closure and ecological restoration works for the facilities on the project impact area will be correlated with the Production Decision of the License Titleholder Rosia Montana Gold Corporation SA.

Thus:

- (a) if Rosia Montana Gold Corporation SA fails to obtain the necessary permits for the mine Building Program, closure and environmental reconstruction works for the facilities on the site will be conducted under the relevant approved budget.
- (b) if Titleholder Rosia Montana Gold Corporation SA obtain the necessary permits, under the law, for the Rosia Montana Mining Project, it will notify the date of the Decision to Produce as provided by Operation License No. 47/1999, including to the National Agency for Mineral Resources, and the existing mining activities on the site, including for closure and environmental rehabilitation following mining activities conducted by the affiliated Minvest – Branch of Rosiamin will cease, and the equipment and installations will be moved off site as provided by the License”.

Additional to the information contained in the EIA Report regarding the structure of its shareholders, currently the shareholder structure of RMGC consists of 3 shareholders: Gabriel Resources (Jersey) LTD – 80.4570% of the equity capital, COMPANIA NAŢIONALĂ A CUPRULUI, AURULUI ŞI FIERULUI ”MINVEST” S.A – 19.3,142% of the equity capital and FORICON S.A. – 0.2285% of the equity capital.

The two changes made since the development of the EIA Report, i.e. the closure of Minvest activities and the change of RMGC shareholder structure are not conducive in any way to amendments to Chapter 1 – General Information, Section 2.1. – Introduction.

Sections 2.2-2.7. do not require updating due to passage of time or changes of legislative framework.

### **2.5. Raw materials, chemical substances and preparations used**

Following the implementation of Directive 2003/105/EC into national legislation, special implementation norms for the SEVESO Directives have been issued in order to ensure alignment with the provisions of these special norms, as attached in the updated version of Table 1-3. “Information on raw materials and chemical substances or solutions”.

Government Decision 804/2007 (transposing Directive 96/82/EC - Seveso II, amended by Directive 2003/105/EC *Control of Major Accident Hazards* into Romanian law) establishes control measures for activities entailing major-accident hazards involving dangerous substances, in order to prevent such types of accidents and limit their impacts on public health and the quality of the environment. The provisions of this Decision apply to activities involving the presence of hazardous substances in quantities that are equal to or exceeding those provided in Annex No. 1 of the above Decision, also considering the legal provisions regulating workplace environment, and especially those related to workplace health and safety.

Relevant qualifying quantities, which need to be considered in implementing the provisions regarding major accident hazard controls, are the maximum quantities that might be present on the site at any given time. Dangerous substances present on a site in quantities equal to or less than 2 % of the relevant qualifying quantity shall be ignored for the purposes of calculating the total quantity present if their location within the site is such that it cannot act as an initiator of a major accident elsewhere on the site.

The data contained in the design documentation helped establish the quantities of substances used in each facility related to the Project and calculate the total quantity of hazardous substances and categories of hazardous substances present on the site.

The attached Table shows these substances/reagents and the maximum quantities to be stored on the site.

**List of hazardous substances on the site**

No.	Name;	CAS Number	Location	Total storage capacity (t)	Physical state	Storage option	Storage conditions	Hazardousness Risk phrases*
1	Sodium cyanide	143-33-9	NaCN warehouse	224	Solid flakes	ISO containers	Outdoors	Very toxic, dangerous for the environment. R: 26/27/28-32-50/53
				260	20 % solution**	Metal tanks + pipelines	- open air under awning -indoors Secondary Containment System	Very toxic, dangerous for the environmentR: 26/27/28-32-51/53
2	Hydrogen Chloride	7647-01-0	HCl warehouse	46	32 % solution	Tank	- open air under awning Secondary Containment System	Corrosive R: 34-37
3	Sodium hydroxide	1310-73-2	Reagent warehouse	50	Solid	Big-bag 1000 kg	-indoors	Corrosive R 35
			NaOH warehouse	72	Soluție 20 %	Rezervoare metalice + trasee	-în interior -în cuvă de retenție	
7	Ammonim nitrate	6448-52-2	Explosives warehouse	100	Solid minimum 28 % N	Silos	Special storage	Oxidant, irritant R8-36/37/38
8	Initiation explosives-dynamite		Explosives warehouse	5	-	Original package	Special storage	Explosive R: 2-6-44 ADR/RID: 1.1D
9	Lime milk		Lime warehouse	805	15 % CaO Suspension	Metal tanks + pipelines	-outdoors -secondary containment	Irritant R41
	Slacked lime	1305-62-0	Lime warehouse	600	Powder	Silos	-outdoors	Irritant R41
	Quick lime	1305-78-8		860	Lumps	Silos	-outdoors	
10	LPG	68476-85-7	Heaing plant (elution area)	50	Liquefied gas	Metal tank	-outdoors	Extremely flammable R 12
11	Oxygen	7782-44-7	Oxygen plant	2	Pressurised gas	Metal tank	-outdoors	Oxidant R8
12	Diesel	68476-34-6	Fuel storage	520	Liquid	Metal tank	-outdoors -Secondary containment	Flammable R10-40-36/37
	Petrol	86290-81-5		15	Liquid	Metal tank	-îngropat	Extremely flammable, carcinogenic

No.	Name;	CAS Number	Location	Total storage capacity (t)	Physical state	Storage option	Storage conditions	Hazardousness Risk phrases*
13	Sodium hypochlorite	7681-52-9	Water treatment plant	5	Liquid	Plastic barrels	-outdoor, under awning	Corrosive R31-34
14	Metabisulphite	7681-57-4	Reagent warehouse	120	Solid	Big-bag 1000 kg	-indoors	Noxious R: 22-31-41
			DETOX	300	20 % solution	Metal tank + pipelines	-outdoors -secondary containment	
15	Copper sulphate	7758-99-8	Reagents warehouse	10	Solid	Big-bag 1000 kg	-indoors	Noxious, dangerous for the environment R: 22-
			DETOX	72	15 % Solution*	Metal tank + pipelines	-outdoors -secondary containment	Noxious, dangerous for the environment R22-
17	Mercur	7439-97-6	Reagents warehouse	1	Liquid	Special packaging	-indoors	Toxic, dangerous for the environment R: 23-33-50/52
18	Flocculant		Reagents warehouse	10	Solid	Big-bag 1000 kg	-indoors	Not classified as hazardous under GD 1408/2008
			DETOX	68	0.25 % solution	Metal tank + pipelines	-outdoors -secondary containment	

Note\*: The risk phrases were recorded based on the safety sheets.

\*\*In establishing the risk phrases for the mixtures (classified as preparations) the methodology used was that of GD 1408/2008 referring to GD 92/2003 : Annex 1 for health risk and Annex 2: environmental risks.

## **2.8. Land planning and current land use and infrastructure**

In the Project area, urbanism regulations have been established and detailed under the Zoning Plan - Industrial development Zone, approved in 2002. The general concept for project development was presented in the applications for General Urbanism Plans (PUGs) as approved, for the administrative districts of Abrud and Roşia Montană. In Masterplan (PUG) reflects the regulations approved under the Zoning Plan for the Industrial development Zone, and indicates the location proposed for the Project industrial facilities and activities.

In the approving, urbanism regulations allowing for the development of the Project, a draft “Zoning Plan - Industrial Zone of Rosia Montana” was submitted for approval in July 2008. Based on the development of the EIA Report, the completion of the public hearing process, of trans-boundary consultation with the stakeholders in Hungary and of the activities of the Special Taskforce, in May 2010, the Regional Environmental Protection Agency in Sibiu asked for an updating of the draft plan an environmental report. Currently, those documents are in the updating process, and will be submitted with the application for the Environmental License to the draft plan, in order to move forward the endorsement and subsequent approval process.

The current Urbanism Certificate (No. 87/31.04.2010) was issued for the land covering 1257.31 hectares, a plot that does not include the Protected Area of the Historic Centre of Rosia Montana. Within this plot, on the surface areas between industrial facilities related to the Project, some areas of land will remain unaffected by industrial activities, totalling and area of 195.7 hectares.

Under Law No. 5 of 6 March 2000 on the approval of the National Land Development Plan – Section III – Protected Areas, the Historic Centre of Rosia Montana, Rosia Montana Village became protected without clear definition of boundaries, as these will be established under zoning regulations.

In this regard, in 2002, the General Urban Development Plan (Masterplan, PUG) of Rosia Montana was endorsed and endorsements No. 61 of February 2002, and No. No.178 of June 2002, issued to the PUG by the National Commissions for Historic Monuments of the Ministry of Culture and National Heritage defined the 53 ha protected area for the historic centre of Rosia Montana. Currently, according to the endorsement recommendations, the historic centre of Rosia Montana is undergoing an endorsement process for the zoning plan of the PUZ-CP-type titled “Central Historic Zone of rosia Montana, Zoning Plan, Protected Built-On Area” This document, initiated by the local authority, proposes a protection area of more than 130 ha which will include 317 houses, of which 35 historic monuments and other architectural assets in the locality and will host a Mining Museum with geological, archaeological, ethnographical (including an open air section), industrial heritage displays and an important underground component around the Catalina Monulesti Gallery. This part o the locality will promote traditional tourism (B&B, small restaurants, holiday homes), while the eastern and south-eastern area of the Old Centre, with the historic ponds (Tăul Mare, Tăul Brazi and Tăul Anghel), could be developed for modern, recreational tourism.

After completion of the public hearing stage in December 2009, the Masterplan for the Historic Centre of Rosia Montana commune entered the endorsement procedure in September 2010, with the positive decision from Alba Environmental Protection Agency.

The above zoning plans will not affect the Project and are not conducive to any amendments to Chapter 1 – General Information, Section 2.8 – Urbanism and Current Land Uses of the Land and Infrastructure