

6-15-07

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**Re: Contestation to the EIA Annex of Gabriel Resources  
and Summary of Fundamental Opinions Regarding the RMP**

**Introduction:**

**Purpose and Scope.**

The comments below serve two basic functions: 1- firstly they were prepared as responses to the portions of the *Annex* of the Rosia Montana Project EIA [RMP EIA] (Gabriel Resources, May 2007) which related to my evaluation of the RMP EIA (Moran, August 2006); 2-secondly they are a short summary of my most fundamental opinions regarding the RMP.

The *unnamed* authors of these RMGC Annex comments responded to only selected portions of my report, neglecting to respond to numerous comments and questions. It should be noted that my August 2006 document was a coherent report, not a series of independent questions---as is implied by the RMGC responses.

In the Annex, the authors of the RMGC responses, whoever they are, have disagreed, not surprisingly, with many of my original opinions. Many of these I respond to individually below. However, in an attempt to provide a coherent document that is relatively short and hopefully useful to the relevant Romanian reviewers, I have chosen to focus below on the central issues the Romanian public, authorities and reviewers should ultimately consider. I have chosen to ignore numerous RMGC responses that I consider less important, but which are, nevertheless, biased, untrue or at best, half-true.

**Nevertheless, I feel that all of the opinions presented in the Executive Summary of my August 2006 report are still valid, and should be considered seriously when weighing the ultimate project decisions.**

6-15-07

Unlike the massive and frequently disorganized RMP EIA and Annex (see details below), which have likely not been read in their entirety by any one human, my 2006 report and the comments below are intended to be simple and straightforward---and easily digested.

The present comments are focused largely on technical issues related to water availability, water quality, geochemistry and associated issues as discussed in the Rosia Montana Project EIA [RMP EIA] and the subsequent Annex. Many of my most pivotal comments, however, relate to the *project approval “process”*. **Because of the unusual nature of the procedural and political aspects of the project approval process, these “process” aspects have come to overshadow and overwhelm the technical and financial issues.** Hence they require comment.

Clearly, RMGC and some representatives of the Romanian government who are trying to promote the approval of the RMP believe that I and anyone who criticizes aspects of the proposed project are anti-mining. This is far too simplistic. I have often worked for mining companies, their law firms, mining investors and NGOs that are in favor of some mining projects---especially those that generate minimal pollution and maximum benefits to the general public, not just to the companies.

The various RMP-related documents I have previously prepared were intended to assist the Romanian public and regulators in understanding some of the issues and viewpoints that RMGC and their consultants have failed to make public. It is not my intention to suggest that this project should be accepted or rejected—that is the role of the various Romanian government officials, their technical advisors and Romanian civil society. If they approve this project openly, fine, but they should be aware of all the likely long-term consequences, as evidenced at hundreds of other international mines, not simply the positive aspects extolled by the project supporters.

*Thus, it is of great concern that representatives of the Romanian regulatory agencies have taken no proactive, substantive role in commenting on any of these technical review documents. All responses have come from RMGC and their representatives.*

### **Where are the Romanian regulators in this project review and approval process?**

The comments herein, together with the comments of other experts and members of civil society should make obvious that the project proponent, Gabriel Resources / RMGC, not the Romanian regulators, largely control this permit approval “process”. That fact biases the review / approval process. *Such a process would not be acceptable today for a comparable mining project in the U.S.A., Canada, or the E.U.*

**Background.**

In 2006, RMGC released their RMP EIA (Gabriel Resources, May 2006), which is an enormous compilation of **33 volumes, at least 4500 pages in length**; most volumes are poorly organized with numerous sections repeated over and over in various volumes, often with conflicting statements. Sections, figures and tables are often inconsistently arranged and numbered, so that it is difficult to follow the meaning. There is no detailed Table of Contents for the entire EIA, and very strangely, the first attempt to present the reader any sort of overall summary is not to be found until Volume 19---the Non Technical Summary! Basic discussions of water resources are incoherently scattered throughout numerous volumes with little attempt to integrate the data and concepts. Hence it is unnecessarily difficult to interpret the validity of the conclusions.

In May 2007, RMGC released the Annex to the RMP EIA, which is approximately **12,600 pages long**, and largely represents RMGC's responses to public questions and comments regarding the RMP EIA, and includes partial responses to my August 2006 report. Much of this Annex, however, is filled with standard replies repeated over and over. **The replies to my 2006 report alone are 94 pages long yet fail to realistically respond to some of the most fundamental issues.** Once again, the RMGC Annex responses are filled with numerous repeated, stock phrases, which often have a very legalistic tone.

My characterization of the RMP EIA and Annex may sound harsh and biased, but it would prove interesting for an open-minded reader to spend a few hours skimming these two documents. Unfortunately I suspect that few have actually done so. Such a quick review would verify the substance of what has been alleged about the poor quality of the EIA. In fact, it would be quite difficult to find a complete copy of the EIA for many Romanian citizens, especially the original printed version.

At the request of the Romanian NGO, Alburnus Maior, I have previously prepared three separate documents relating to the RMP:

- June 2005, during Scoping Phase of the EIA Procedure: Preliminary Proposal for the Content Requirements of the Environmental Impact Assessment Report of the Rosia Montana Mining Project, 7 pages. Available at: <http://www.rosiamontana.org/documents/pdf/Alburnus%20Maior%20scoping%20list.pdf>
- August 2006: Assessment of the Rosia Montana EIA Report, Romania, 48 pages. Available at: [http://www.rosiamontana.ro/img\\_upload/472936e3bca2bc61045730fbb1869240/2.raport\\_Moran\\_final.pdf](http://www.rosiamontana.ro/img_upload/472936e3bca2bc61045730fbb1869240/2.raport_Moran_final.pdf) and [http://www.osf.ro/en/publicatii.php?id\\_cat=14](http://www.osf.ro/en/publicatii.php?id_cat=14)

6-15-07

- February 2007: Responses to: Evaluation Report: Environmental Impact Assessment Study for the Rosia Montana Project by Independent Group International Experts [IGIE], 15 pages. Prepared for Alburnus Maior, Romania. Available at: [http://www.rosiamontana.ro/Aarhus2/RMoran\\_Assessment\\_IGIE\\_180207\\_eng.pdf](http://www.rosiamontana.ro/Aarhus2/RMoran_Assessment_IGIE_180207_eng.pdf)

These three short documents were intended to assist the Romanian public and regulators, firstly, in improving the Scoping of the EIA, and secondly, in understanding some of the issues and viewpoints that RMGC and their consultants have failed to make public.

Unfortunately, it has become obvious that this permit approval “process” is essentially controlled by the project proponent, Gabriel Resources and RMGC, not the Romanian regulators, as is discussed below.

**Specific Comments Related to the EIA Annex.**

**[All Annex page numbers below refer to those at the bottom of each page in the English version of RMGC’s responses.]**

While it is obvious that comments and questions made in my August 2006 report were mine because my name clearly appeared on the report, it is not possible to determine which individuals prepared the RMGC responses as no specific names are given in the EIA Annex. This is especially curious as several of the responses are written in the first person (i.e. at the bottom of pg. 5), yet the author is not identified. As with most of the EIA, one is forced to ask: Whose opinions are these?

Numerous Annex responses contain language similar to the following (pg. 11): “The EIA Study Report is laid out in strict accordance with the Romanian regulations for EIA.”

While RMGC has argued that they are designing an operation compliant with the highest international standards, such responses seem to imply that they are, in fact, largely following Romanian standards for many of the environmental aspects. This gives the impression that the Romanian government, not RMGC, is responsible for many of the “short-cuts” that RMGC has taken in preparing their EIA studies.

For simplicity, I present below the major conclusions in the Executive Summary of my August 2006 report---as they are still the fundamental issues of concern---and relate these to the comments made by RMGC in the RMP Annex. In an attempt to keep this paper concise, I have chosen not to respond here to several of the less important bullets from my 2006 paper. These are, however, discussed in Moran (2006). **My original, bulleted comments are in standard type; my responses to RMGC’s Annex remarks are in italics.**

- The EIA is poorly organized, confusing and not comprehensive. In general, it is not possible to determine which specific individuals or companies authored which specific EIA sections and opinions, thereby avoiding any direct responsibility for authorship. It fails to meet many of the serious EIA-preparation criteria stated in Romanian Ministerial Order OM 863/2002, which describes the criteria of an acceptable EIA. In its present condition, the EIA is not suitable to allow the public or regulators to reasonably evaluate impacts. Much of this EIA has been written in the style of a public relations document, not a technical document. Despite repeated claims, the EIA was not prepared by independent consultants and compiled in an independent manner. Portions of the EIA appear to have been deliberately manipulated to minimize the exposure of unfavorable aspects and impacts.

*1-Regarding my first contention that the EIA is poorly-organized, confusing, inconsistent, etc., RMGC replies:*

*“The document is necessarily complex because of the water and water-quality related issues addressed and the range of mine process and water management facilities needing to be considered.”*

*However, the response above is totally disingenuous when one notes that the water-related topics [water quantity, water quality, geochemistry] are scattered throughout the 33 volumes and at least 4500 pages of the EIA. This material is not consolidated, is inadequately summarized [table, graphs, maps] and presents inconsistent statements in the various volumes. Such water-related, technical details could easily have been discussed and summarized in 100 pages, which would have made this material comprehensible to the Romanian reviewers.*

*2-Regarding the unspecified authors of individual sections or opinions in the EIA, someone replies for RMGC:*

*“The EIA was produced by the EIA experts registered with the Ministry of Environment as scheduled on page iii and iv of the NTS and Chapter 1 (Volume 7) page 7 of the EIA. With respect to water, the experts involved were Marilena Patrascu and Violeta Visan.”*

***Neither of the individuals named above are identified as authors in any of the EIA volumes! In addition, it is obvious that numerous other, unidentified individuals prepared water-related / water quality/ geochemistry sections of various volumes.***

*3-Regarding the “independence” of the EIA authors, RMGC relies (on pg.16):*

*“The concept of independence as expressed in this question is very simplistic, it implies that the only determinant of independence is the source of funding and to an extent shows a lack of understanding of what a professional is. If professionals were willing to change their professional judgment depending on who is paying their fees, then they would be of little use as their professional reputation would quickly suffer as a result. The independent EIA team was composed by a respected group of professionals with a long career in Romania*

*and internationally with a proven track record of independent professional judgment.”*

*Such self-serving comments totally neglect the present worldwide preoccupation with the lack of independence and conflicts of interest in all manner of disciplines, such as financial markets, news reporting, food and pharmaceutical testing, etc. These concerns are especially aggravated in developing countries where reasonable compensation is very limited for scientists and engineers. Whenever international governments are faced with highly controversial disputes they inevitably appoint “independent” committees to evaluate the issues. No further justification for this **fundamental issue** seems necessary.*

- The Rosia Montana Project (RMP) site is seriously contaminated from recent, State-owned mining activities. Unfortunately, the EIA does not adequately define the extent of the specific chemical constituents causing the water quality contamination. It presents data for an overly-simplified list of chemical constituents [pH, arsenic, cadmium, nickel, lead, mercury, chromium, selenium, sulfate, and bicarbonate] , and neglects to present adequate data for numerous other environmentally-important metals and metal-like elements such as: aluminum, antimony, chromium +6, cobalt, copper, iron, lithium, manganese, molybdenum, strontium, thallium, vanadium, and zinc; numerous anions such as: nitrate, ammonia, chloride, fluoride; natural radioactive constituents such as: uranium, radium, strontium, thorium, potassium-40, gross alpha and beta; organic compounds relating to massive use of fuels, oils, chemical reagents, explosives, etc.; cyanide (WAD and Total) and related decomposition products, such as thiocyanate and cyanate. The RMGC data base contains data for many of these constituents, but their presence was not summarized or clearly revealed in the EIA.

*1-Here, summarizing and paraphrasing part of RMGC’s response, we are told that, “The intent of the EIA was to present information as required by the Romanian legislation and data to indicate the extent of the current impacts without overwhelming the reader.”*

*Once again, the scapegoat is the Romanian legislation and the unsophisticated reader. Such baseline details would be required for any comparable project in the U.S.A., Canada or the EU—prior to project approval. These details could easily be summarized (statistically) in a few tables, which would have been extremely useful to any Romanian technical reviewer. In addition, such data are fundamental to understanding what impacts have occurred in the past and what may occur in the future.*

*By taking this less-than-open approach, RMGC revives memories and concerns within the Romanian public of past secrecy with respect to most environmental and other data.*

6-15-07

*2-Secondly, RMGC states: “It must be appreciated that a distinction needs to be made between the baseline data presented for an EIA, where the objective is to identify and define the mitigations required in respect of significant impacts that may be generated by the project; and the baseline data that will be required in the future for operation and compliance purposes (assuming the project is permitted) where for example the requirements of IPPC (Integrated Pollution Prevention and Control) permits will include a wider-ranging parameter list defining the baseline.”*

*Despite the fact that these words are presented repeatedly in the Annex, it must be reiterated that such a limited and incomplete complete baseline would not be acceptable **for project approval** in the U.S.A., Canada, and the E.U.*

*How is it possible to evaluate all of the potential “problems” and liability facing an operator (and indirectly the government) if a reasonably “complete” baseline is not collected prior to project approval? It isn’t!*

- Information from past RMP site activities and contamination at similar gold mines and processing sites around the world indicates that cyanide was probably used to process the existing tailings and, in addition, that it is only reasonable to evaluate the presence of natural radioactivity at this site. Neither the presence of cyanide or radioactive elements in the water and soil baseline data has been revealed in the EIA. This appears to be an effort to: 1) minimize the environmental and health impacts resulting from past State-operated activities; and 2) avoid developing a quantitatively-defensible baseline water quality data base that could be used to reliably define future RMGC liabilities that might result from the proposed project.

*Part of RMGC’s reply to this issue is:*

*“In addition, elements and compounds that are not known to be associated with the current activities in the area were not extensively investigated. For example, cyanide degradation products were not analyzed for because there is no known or current use of cyanide in the project area from mineral extraction or other industrial uses. The deposit type hosting the Rosia Montana deposit is also not known to host radioactive minerals, so associated parameters were not included in the sampling program.”*

*Given my experience at numerous metal mines around the world, it seems unlikely that cyanide was not used. However, because RMGC has chosen not to collect or release details on cyanide and radioactivity data, one can only speculate, reasonably, based on common world practice. Most similar gold ores are processed using cyanide, worldwide.*

*Strangely, RMGC has analyzed water samples for cyanide at various locations, which are contained in their computer data bases, but are not reported in the RMP EIA. For example, cyanide was analyzed in 14 samples from Site I.D. R085*

6-15-07

*[a draining mine adit or tunnel, #714] during at least the period 24 November 2000 through 23 November 2005. Only one of these samples reported detectable cyanide, 6.5 milligrams per liter, but this is an exceedingly high concentration to be determined from a draining mine. [It was not clear from the data sheets what specific form of cyanide was determined.] All other R085 cyanide data were reported as "0", which is equally strange, as normally such data would be reported as "less than---", to tell the reader what the detection limit was. If the detection limit had been unusually high, these data would be "0", but still contain measurable cyanide concentrations. The cyanide detection limit was not reported.*

*I saw similar cyanide determinations for surface water site S010, which were also "0", but reviewed cyanide data from only these two sites. Does RMGC have comparable data from other sites?*

*It seems totally inconceivable that RMGC would have collected all these data for so long if they knew no cyanide had been used by Minvest and if they knew they were not going to report cyanide in their baseline data.*

*Radioactive constituent monitoring data are needed because gold ores often contain significant concentrations of numerous natural radioactive substances which may then be concentrated in the processed wastes (US EPA, October 1999; US EPA, April 2003). In addition, it is known that uranium ores have been mined in the western Apuseni 30 to 40 kilometers from Rosia Montana (World Energy Council, 2001; WISE, 2007). It is disingenuous to argue that no commercial uranium ores are known from the Rosia Montana area. That is not the concern. The concern results from the relatively minor concentrations of naturally-occurring radioactive constituents often in gold ores, present in non-commercial concentrations, which often accumulate in the process wastes.*

*More importantly, when RMGC states that neither cyanide or natural radioactivity are substantive issues **without providing actual environmental data** to support these claims, they appear to be taking the old approach of secrecy followed in numerous other arenas of past Romanian government activity. Of equal relevance, no comparable gold mining project would be approved in a developed country today if some forms of cyanide were not routinely determined in site waters and sediments (including tailings) as part of the baseline program--- prior to project approval.*

- Do the terms of the RMP project agreements between the Romanian State and RMGC absolve RMGC from all responsibility for environmental and health liabilities, past and future?

***RMGC has chosen not to respond to this important question. Have such agreements been codified?***

6-15-07

- The EIA fails to adequately define the specific baseline conditions—especially for surface water, ground water, health and impacts from the existing tailings and existing processing plant. It fails to present recent baseline data. This leaves many important questions about responsibility and liability— past, present and most importantly future—unanswered.

*Answered adequately above and in my August 2006 report.*

*However, it is instructive to note at least two excerpts from RMGC's responses (pg. 19):*

*“The supporting data are voluminous and would have added substantially to the EIA mass. However, it is agreed that the additional technical support could be a benefit to some people reviewing the project. **These data will be added to an updated Hydrogeology Baseline Report.**”*

*“It is recognized that such data are useful to parties wanting to conduct a detailed technical review the hydrogeologic data. Because of this, the data discussed in the comment **will be provided in an updated Baseline Hydrogeology Report.**”*

*These responses clearly indicate that RMGC agrees that the Hydrogeology Baseline information and presentation was inadequate.*

- The Health Baseline studies failed to collect samples of fingernails, hair, blood or urine from citizens within the impacted area. Data from such data would allow development of a quantitative health baseline.
- The EIA assumes that, following closure and remediation, all pre-existing impacts will have disappeared, long-term. This is one more unsubstantiated promise—especially because existing facilities such as the Abrud and Saliste tailings are unlined and unremediated. They will continue to release contaminated leachates long-term. It appears that the RMP remediation will not involve the collection and treatment of contaminated leachates presently being released from the existing tailings.

*Parts of RMGC's reply state:*

*” Indeed, it is not claimed that all existing pollution sources of the old mining and milling activities will be removed or mitigated. The development of the RMP removes or mitigates only contamination sources of the current mining operation of Minvest, which are located in the RMGC Project License Area:.....”*

*and*

*“If RMGC, when developing its own operations, cleans up part of the existing contamination, this is an added benefit of the project to the region and should be welcomed. However, RMGC cannot be held liable for the clean up of existing contamination which it has not caused, particularly that outside the licensed area.*

*Those polluted areas and pollution sources which are not removed or mitigated by the RMP will have to be tackled by the Romanian state. They are consequently not addressed explicitly in the EIA of the RMP because they do not form an impact on environment of the RMP.”*

*Given the extremely disorganized and confused nature of the RMP EIA, it would have been natural for most readers to overlook the fact that many of the largest sources of past contamination will not be remediated---even the tailings impoundments. Hence I merely stated the obvious. It does seem disingenuous for RMGC to state that they have “not addressed explicitly” these issues in the EIA, because they were not caused by RMGC and because they are outside the licensed area!*

- The EIA is not reliable for predicting or realistically evaluating environmental and related future impacts. Therefore, it is not suitable to define the realistic financial liabilities for investors.

*RMGC chose not to respond to this comment. The mining industry (and other industries) routinely presents computer-generated predictions of future mine water quality and quantity in EIAs to promote the sense that they can “predict the future”. Unfortunately, such predictions are notoriously inaccurate and imprecise, as has been verified in recent studies by Kuipers and Maest (2006), and also summarized in Septoff (2006).*

- Acid rock drainage and other contamination are likely long-term impacts that will occur at this site, post-closure. The EIA contains foolishly-optimistic, predictive statements regarding the likelihood of ARD. As a result of the activities proposed in the EIA, the RMP water quality, in general, will improve while the RMP is being actively operated and maintained. It is much less certain how effective the proposed measures will be for mitigating long-term, post-closure ARD and related contamination.

*Throughout the 33 volumes of the EIA, RMGC has made various, often conflicting statements about the ultimate likelihood that long-term ARD will be a problem. Given **all of the factors under consideration, including information from similar mines around the world**, it is obvious that conservative planning should assume that long-term ARD will occur. Details are presented in Moran (2006).*

- Responsible financial assurance measures should be implemented and they should assume the need for operation and maintenance of perpetual, *active* water treatment facilities---if E.U. Guidelines are to be met. Without long-term collection of effluents (direct and indirect discharges) and active treatment, area streams and ground waters will likely fail to meet appropriate water quality criteria and be toxic to many aquatic organisms and most fishes. These impacts may not become obvious until many years following mine closure.

*RMGC replies, in part to **this most important aspect:***

*“As to the financial assurance, the statement is correct, and it will be done this way, of course.”*

Later in the Annex on pg. 64, RMGC further states:

*“The figure of approx. US\$65 million for cover systems accounts for the biggest share of closure costs. Add costs for dismantling, regrading of slopes, and other smaller tasks, the cap cost estimate of around US\$71 million is plausible. There is another cost component for long-term tasks such as water treatment, monitoring, and maintenance, which is some US\$ million per year and must be summed up for the period of time these tasks are needed. Sufficient financial means will be available through appropriate financial instruments, which, simply speaking, generate sufficient interest on an underlying amount of money to pay for the long-term tasks year after year as long as they are needed, without itself being consumed.”*

***Despite this assurance, RMGC then fails to provide any quantitative details on the Financial Assurance cost estimates necessary to fund the operation of an active water treatment plant in perpetuity.*** And it is such water treatment costs that are far and away the most significant long-term costs at similar sites worldwide. Hence, if the money is not available as a guaranteed financial bond, etc., the E.U. and Romanian taxpayers will be required to cover the costs. RMGC has stated that it is not appropriate to discuss such Financial Assurance details in an EIA. That is ludicrous! It is precisely the details of the Financial Assurance agreements made between the operator and the government that are most important for ensuring that the public will not be left with the future liability, or the environmental and social consequences.

Once an operating permit is given by the government, **most details of a mine project can and do change** (i.e. depth of the pits, location of waste rock piles, addition of new ore bodies, closure methods for mine workings, etc.). The project details described in the EIA are by no means guaranteed to occur. Most of these changes result as the world price of gold varies. In addition, companies frequently declare bankruptcy, leaving all of these marvelous plans and promises unfulfilled. Hence, the public needs some form of assurance that the money will be available to remediate the site given these unforeseen events---which frequently occur.

- The EIA neglects to evaluate the likely reasonable economic costs of environmental and health impacts, including price inflation, past and present.
- Despite the need to utilize massive quantities of water in RMP operations, the EIA makes no mention of the costs related to water use or water contamination. As usual, they are “externalized” in the EIA.

6-15-07

*RMGC may not be legally required to report such costs, but they are exceptionally important for the public to know---all over the world. If RMGC is truly interested in transparency, such costs would be revealed.*

- The EIA public consultation and disclosure process is a charade. It does not reasonably inform the public of options or likely impacts, and fails to allow actual dialogue at the public consultations. This EIA and its related disclosure process fail to reveal much of the important environmental and health information, preventing a reasonable evaluation of the trade-offs to be made by the public.

*RMGC replied:*

*“RMGC followed exactly the procedure set by the Ministry of Environment during the public consultation process. If a question was perceived that was not answered properly, a written answer is provided.”*

*This seems to be an extremely legalistic and disingenuous answer, once again making the Romanian authorities responsible for the degree and quality of consultation and disclosure. “We only did what they told us to do!”*

*Numerous NGOs, including Alburnus Maior, have provided evidence that the EIA documents were not truly and readily available to the public for review. They have also provided evidence that the structure and questioning in the public meetings were, in fact, controlled by RMGC representatives, with no real dialogue allowed. I can verify that RMGC totally controlled all aspects and prevented any real, substantive dialogue during the public meeting held in Cluj which began on August 7 and continued late into the morning of August 8, 2006. The Romanian authorities played no substantive role.*

*In addition, in June 2005, I prepared specific technical recommendations during the Scoping Phase of the permitting process in an attempt to improve the quality of the EIA. [Available at: <http://www.rosiamontana.org/documents/pdf/Alburnus%20Maior%20scoping%20list.pdf>] None of these comments were responded to by RMGC, in the Annex or anywhere else, as is required by Romanian law.*

- Romanian authorities at all levels have failed to adequately protect the public or to assist it in evaluating and understanding the actual environmental and health impacts resulting from the past mineral development-related impacts at Rosia Montana. Romanian mining and environmental agencies clearly lack the institutional capacity and will necessary to enforce the appropriate laws. Under these regulatory conditions where mines are essentially self-regulated, adequate remediation and long-term clean-up are unlikely to occur. The long-term costs will ultimately fall on the Romanian and E.U. taxpayers.

***RMGC failed to respond to this comment.***

6-15-07

*As stated above, it is my observation that RMGC, not the Romanian authorities have controlled all important public aspects of this permit review process. The Romanian authorities have been largely “invisible” when it comes to providing data, explanations, or their opinions regarding various aspects of the RMP. A specific example should prove informative.*

*In August 2006, I collected tailings samples from various depths at the Abrud and Saliste impoundments, intending to have them analyzed for Total Cyanide and various radioactivity constituents---in order to verify the claims RMGC has repeatedly made [see discussions above and in Moran (2006)]. None of the regional Environmental Guard offices were able or willing to assist in having these samples analyzed. Does this indicate an effective degree of institutional capacity on the part of the regulatory authorities? Clearly not! Does it promote public confidence that, if the permits were approved, regulatory authorities would provide useful, independent assistance to civil society in answering controversial environmental questions? Clearly not!*

*In a recent World Bank-sponsored study (Extractive Industries Review, 2003), it was concluded that two of the most important reasons that past World Bank funded extractive industry projects (i.e. mining and oil and gas) have often been unsuccessful in achieving their overall goals resulted from inadequate governance and transparency in the recipient countries. The public should remember that the World Bank previously decided not to fund the RMP, for undisclosed reasons. With respect to the RMP, issues of adequate governance and transparency remain. There is little evidence to indicate that the Romanian authorities have or are willing to provide viable “checks and balances” to the activities of the mining industry.*

- This project, if proposed at a comparable site in the E.U., the U.S.A., or Canada, would not receive regulatory approval.

*RMGC replied: “This is an opinion and not a fact. The RMP has been designed to best international practice and therefore we believe that this project would be accepted in any other country when the advantages and disadvantages are judged impartially. In addition, countries have their regulations and their views about particular situations and it is unwise to try to translate situations from one setting to another setting when the history, geography, culture and state of economic development are very different.”*

*My responses above should be adequate to shed light on this RMGC statement. However, I will reiterate that my 35 years of relevant experience indicate that the proposed project would not be approved in Canada, U.S.A., or the E.U. because of this inadequate EIA and the related permit approval process.*

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