

## Ore & building materials extraction

### Keywords

- > Gold mining
- > Colombia
- > Greystar (Eco Oro Corp.)
- > Paramo
- > Water
- > Large-scale mining
- > Artisanal mining

## Introduction

The Angostura Project is located 67 kilometres (41 miles) northeast of Bucaramanga, the capital of Santander. Santander boasts several areas with gold resources, thus there are different kinds of mining operations in the region, mostly small-scale. However, there are also foreign companies involved. Companies such as CVS Explorations, Galway Resources and Barracuda have recently initiated exploration projects in the Vetás-California mining district.

In addition to the traditional water versus mining conflict, the Angostura Project stands to impact a fragile ecosystem. The 80,000-hectare (19,768-acre) Paramo of Santurban is a biological corridor characterised by herbaceous vegetation that ranges from 3,000 to 3,800 metres (9,842 to 12,467 feet) above sea level. It provides water to over 2.2 million people that inhabit the metropolitan areas of Bucaramanga and Cucuta, and 21 other municipalities in Santander and Norte de Santander.

The Surata River Basin is one of Santander's main sources of water (representing 55 percent of the volume needed by Bucaramanga City). The Oro and Surata Rivers feed the city, while Flora, Tona, La Iglesia, Quebrada Seca, Cacique, El Horno, San Isidro, Las Navas, La Rosita and Bucaramanga constitute the main ravines.

The uniqueness of this case is the continued and successful local resistance that commenced concurrently with the exploitation phase and has lasted until today.

## Background

Eco Oro Corp. is a Canadian company for the exploration and development of precious metals. It was established in August 2011, after the previous company Greystar underwent a restructuring phase and its stakeholders changed.

The company has been working on developing this project for the past 15 years. Greystar entered the area in 1995 to explore the gold fields in Angostura.



**Aerial view of the area where the mine will operate**

Source: <http://www.lingoro.info/inversion/el-proyecto-de-oro-angostura-%E2%80%93-colombia-%E2%80%93-parte-ii/1135/>

After conducting mining surveys, it bought some land and began exploration activities. In 1999-2000, the company experienced problems with the FARC-EP guerrilla group and some employees of a contractor company were kidnapped, after which Greystar stopped its activities and left.

In 2003, Greystar rebooted its operations in the region, widening its exploration program and ensuring its land consolidation in the Vetás-California district. The exploration phase cost USD 3.5 million and ended in 2004. Exploitation work was planned to begin in 2008, but opposition to the project through judicial, administrative, parliamentary and citizen activism slowed it down. Currently, the funding granted by the World Bank is being re-evaluated due to complaints made by various social organisations.

## The Angostura Project

The Angostura Project is located in an alpine tundra ecosystem called paramos that has numerous lakes, and is supposedly to be a "low cost" open pit mine. The mining company plans to extract 11.5 million ounces of gold and at least 40 million ounces of silver in Santander, for about 15 years. According to information from Greystar, Angostura has proven reserves of 331 metric tons with 1.09 grams/ton of gold





Details of the Greystar Project.

Source: "Ecosistemas de Santurbán". Available at: <http://ecosistemastropicalesucn.blogspot.com/2011/03/paramo-de-santurban.html>



#### An endangered lake

Source: Jairo Alfonso Quijano La Rotta, "El proyecto minero de angostura de la Greystar destruye el páramo de santurban", *Nortedesantander.com*, 2010. Available at: <http://nortedesantander.com/?p=2069>



#### Miners at the project site

Source: <http://www.gentedecabecera.com/2010/10/10/ni-por-accidente-afectaremos-el-agua/>

and inferred reserves of 90.8 metric tons with 1.11 grams/ton of gold.

There are plans to expand the Angostura Project towards neighbouring traditional farming areas, such as the Surata, Charta, Tona, Mutiscua and Cucutilla municipalities. To this end, the company has bought concession titles in Santander and Norte de Santander. According to Ingeominas data ([www.ingeominas.gov.co](http://www.ingeominas.gov.co)), it had purchased 25,212 hectares (62,300 acres) in mining titles and invested USD 150 million in exploration by February 2011.

The company has provided logistical support to establish a security base in the area. One of the purposes of the troops is to ensure the viability of the company's mining activities. There are two military camps within the Angostura Project area: 35 soldier in the Los Laches region, and 20 soldiers in the Escuela region.

### Impact

According to local residents, the presence of the mining company affects them in four ways:

- Causes armed conflict and military control of the area; because the company is an accomplice in displacing the population and expropriating land,
- Fails to recognise their right to participation and self-determination by establishing a development model based on large-scale mining,
- Threatens the right to a healthy environment by appropriating ecosystems and water sources, and
- Infringes on people's right to work, their living conditions, the indigenous development of local communities, by using inappropriate practices.

Similarly, the locals also argue that the presence of the mining company affects the viability of small-scale mining practices and the right to work. Gold mining in this area has mostly been at subsistence levels, although the region has been exploited intermittently by small family and foreign-owned mining companies. According to estimates, some 500 to 600 direct mining jobs have been generated in this district, chiefly in the artisan mining industry, which consists of independent miners or small businesses that do not have licences or titles.



1995-1999	Greystar Resources Ltd. buys land and initiates exploration activities
1999-2000	Greystar leaves the area due to security issues
2003	Greystar reinitiates its activities
2008	Plans to begin exploitation work are abandoned
2010	Submission of the EIA
2011	March, The Andean Parliament discusses Greystar projects
2011	April-May, The national environmental authority rejects the EIA. The company decides to change the original project and apply for a new one
2012	June, Social organisations present a formal claim to the World Bank. The claim is accepted.

#### Chronology of Major Events

Large mining projects create an economic dependence that hinders the emergence of other socio-economical alternatives for the population. By buying mining concessions, Greystar eliminates the possibility of practicing small-scale mining in the region.

In February 2011, the Ombudsman's Office of Colombia presented certain indicators of the pressures this project would exert on the environment and the people: "This project will use 1,200 tons of cyanide each month, 7,000 tons of ANFO (a powerful explosive material based in ammonium nitrate and a fuel derived from oil) and 4,680 tons of emulsion (...) The concession will affect 12.1 percent of the Vetás River's flow and 2.5 percent of the Surata River's flow, which is the main source of Bucaramanga's metropolitan aqueduct. The river could also be affected by industrial discharge such as cyanide, fuels and sludge, among others." The Ombudsman's Office is also concerned about disposing huge amounts of materials from the excavation in leach dumps (330 million tons) and tailings placements (744 million tons) (Notiagen, 24 February 2011).

#### Conflict and consequences

In 2009, the company submitted an Environmental Impact Assessment (EIA), which established that the Project would protect the paramo, subparamo and Andean forest ecosystems. The EIA was rejected. The Ministry of Mines and Energy urged the company to make comprehensive changes to the project for its approval. In 2011, the company presented a new assessment different to the original project.

From 2003 to 2010, local organisations mobilised against mining activities in the area. One of the organisations that

#### More on this case

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Canadian company Greystar's plans to exploit gold and silver were discussed as part of the agenda at the Andean Parliament's last session (23 and 25 February 2011). Fourteen parliamentarians from Peru, Bolivia, Chile, Ecuador and Colombia issued a joint statement asking Greystar to drop the Angostura Project.

More recently, several local social organizations submitted a claim to the World Bank stating that the International Finance Corporation had ignored its credit policies by investing USD 11.79 million in Eco Oro Minerals in 2009. The World Bank accepted the claim in July 2012, and its investments in the Angostura Project will be re-evaluated.

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