

For UPeace News Flash
December 10, 2009



Shiny Opportunity or Fool's Gold? Uprooting contradictions of the proposed Crucitas Gold Mine

From December 3-5, 2009 students from ESP course "Environmental Justice and Social Movements" conducted an in-depth study of the controversy surrounding the Crucitas gold mine being developed by the Canadian-owned company Industrias Infinito in the North of Costa Rica. The project has come up before the Constitutional court of Costa Rica several times over the last decade. Last October President Oscar Arias issued an Executive Order allowing the mine to begin operations and declaring it a matter of "public interest and national convenience." Local activists questioned the legality of the Executive Order and brought the case before the Constitutional Court once again. The project has been on hold ever since, with a decision expected in mid-December of this year.

Last Thursday, professor Guntra Aistara convened a roundtable discussion on the topic with representatives from Industrias Infinito, the Northern Front against Mining, the Costa Rican Ecological Federation, and the University of Costa Rica. On Friday, the class visited the Industrias Infinito mine site, and on Saturday met with local community members who were both for and against the mine, and with representatives of the organization UNOVIDA who have been campaigning against the mine. Below is the class's summary of the key contentious issues surrounding the environmental, socio-economic, legal and political aspects of the case.

Environmental-technical aspects:

Mining of resources such as gold is extremely difficult to understand unless one has studied this extractive process for many years. Unfortunately, mining has become a contentious issue, where the gap in knowledge of the process and its implications vary depending on where the information is acquired. As many other mining areas around the world, international and local populations have concerns over the consequences that open pit mining can present in Crucitas- with high potential for noise, air, and water pollution.

In order to extract the gold, the company will clear cut 191 hectares of tropical forest and work day and night over the next 12 years. They will blast two hills with explosives 2-3 times a week to excavate two 60-meter deep pits with an area of approximately 50 hectares. According to some estimates, for every 1.5 grams of gold extracted, one ton of rubble, or "tailings" is discarded. The tailings will be stored in a man-made water reservoir to prevent heavy metals from oxidizing with the air or returning as pollution to the watershed. This tailings dam will occupy an additional 100

hectares of clear-cut tropical forest that is the home to diverse flora and fauna. While activists note that 30-50,000 liters of water will be used every hour during production, according to the company, the deepest aquifer below the proposed pits may not be affected since water will be recycled. Cyanide, which will be trucked over narrow mountain roads, will be used in Crucitas to extract pure gold from the crushed rock. In order to contain the cyanide, Industrias Infinito will use a cyanide destruction process previously not used in Costa Rica. As far as our team could observe, Infinito Gold has proposed various ways to address environmental concerns, however the risks involved are self-evident.

Socio-economic aspects:

Industrias Infinito has promised socio-economic benefits to the surrounding communities in the form of 260 jobs, 2 % royalties, infrastructure, and training programs. One community member in support of the mine stated that he felt there was no other viable option for economic development beyond the mine proposal. At the same time activists opposing the mine suggested that the government may be deliberately stalling development projects in the area. A community member opposed to the mine stated that many of the promises of socio-economic benefits may not materialize. All sides agreed that the seven communities in the Crucitas area have been abandoned by the government for at least 35 years. There is a lack of agreement between the communities and activists and regional and national activists about whether any of the promises of local development will actually be fulfilled.

Legal aspects:

National

According to the project manager of Las Crucitas mine, Industrias Infinito has all the necessary permits to begin mining. The problem is that their permission to fell trees in the concession area has been suspended and it is this permission that is being ruled on by Sala IV (the Constitutional Court). Essentially, they informed us that if there was a way to mine without cutting trees, they could be doing that right now, but as there isn't, the company must wait for the Court's ruling. At the same time, activists we spoke to presented a slightly different version, arguing that the mining permission was annulled and so could not be reinstated by executive decree. There was a perception among opponents of the Las Crucitas mine of a judicial bias in favor of the mining company and belief that Costa Rica's mining code is antiquated and *entreguista* (handing over the country to foreign companies), particularly when compared to Canada's code, yet proposed efforts to reform the code seem they would make it worse, not better.

International:

Local activists noted that Costa Rica and Nicaragua have a bilateral agreement to protect the San Juan River. Additionally, Nicaragua's legal assembly did send a formal note requesting suspension of the project and has cited Principle 21 of the Stockholm Declaration in arguments that Costa Rica needs to protect the international waterways and ensure that they do not cause damage to other states. This complaint has also been brought before the International Court of Justice which suggested that Costa Rica should not proceed with the project. Costa Rica's response was essentially that such protest is unnecessary, given that the Las Crucitas project has taken measures to avoid negative environmental impacts both within Costa Rica and in Nicaragua. Additionally, under article 14 of the Convention on Biological Diversity, ratified by Costa Rica in 2000, a state party is liable to introduce appropriate procedures to avoid adverse impacts on biological diversity. In the Crucitas region, there are several endangered species, one of which exists exclusively in this region. Furthermore, although the *lapa verde* (green macaw) and *almendro amarillo* receive the greatest amount of attention, there are a number of other at risk and geographically unique species in the area such as two species of fresh water shark

and a fish with prehistoric traits, the *gaspar*. Costa Rica should take into consideration its responsibilities on the international level.

Political aspects:

Costa Rica waits with bated breath the Dec. 17th Constitutional Court decision. Despite the importance of the issue to upcoming Presidential elections, the government has been noticeably absent in communications with the community of Crucitas, as well as from roundtable debates with the activist community. Their absence has been severely felt with infrastructural development in the Crucitas community, and as the manager of Infinito mine declared, "Wait 20 more years and the government will do it for you. We'll do it right now." The political regime has also failed to comment on the potential "cross border eco-catastrophe" (*Time* magazine, 2009) with Nicaragua, given that the international San Juan river could be affected greatly. The main stance that has been declared from Arias' administration is the perception of the mine as a matter of national convenience, despite the country's greener image throughout the rest of the world. To fulfill Costa Rica's green agenda and economic development desires, political focus must be on Northern Costa Rica and its development whether or whether not the Crucitas mine project goes through.