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## **Joint Statement by CENN and ICOMOS regarding environmental, cultural and social impacts of mining activities at the Madneuli and Sakdrisi deposits**

In most cases mining entails a high risk of negative impacts on natural and social environments. Developing countries with weak legislative basis, institutional set-up and negligible involvement of public in the development priority setting are especially vulnerable to these negative impacts. Environmental damage caused by mining and its activities is significant and depends on a number of factors. The state will most probably induce results that hamper long-term economic development such as post-mining environmental restoration costs that considerably exceed revenues from improperly planned and designed industry activities.

Mining in Georgia is not characterized by large scale activities; however, none of the few relatively large-scale mining enterprises comply with environmental standards. All environmental inspections carried out at mining companies have documented considerable violations, primarily due to the weak regulatory base and enforcement. This situation has remained unchanged for many years. Despite penalties imposed on the mining companies, they have increased the scale of mining operations and attempt to influence government with the purpose of lightening and/or abolishing ‘undesirable’ regulations.

The Madneuli copper and Sakdrisi gold mines and their on-going and planned activities are well known to society due to the large scale of their environmental impact. Mining of copper and gold at these deposits was started at the end of the 1970s and is still ongoing, despite the political and economic changes that occurred during this time. The damage caused to the environment as a result of improper performance, and the absence of an adequate response, is significant. With regards to this damage the following issues are noteworthy:

- tailings dust with high a concentration of heavy metals is spreading over agricultural lands, leading to soil pollution and posing a threat to human health;
- there exists an improperly designed mine waste dump that fails to prevent acid rock drainage and water pollution;
- there is leakage of polluted water from the main and old tailings dams;
- an improperly designed pit lake is creating pollution risks for ground and surface waters during the operation of the enterprise, and will continue to do so after its closure.

The main tailings dam is constructed upstream of the Kazreti settlement and the Mashavera River. The Kvemo Kartli region, where this enterprise is located, belongs to an active seismic zone. In the case of an earthquake and damage to the dam, tailings will flow into the Mashavera River (which is used for

drinking and irrigation purposes). This will lead to a large scale (national or regional) disaster and threaten human health and the environment.

The public are very concerned about the problems that might emerge if the Sakdridi ore deposit is exploited. The Environmental Impact Assessment report prepared by RMG Gold and submitted to the Ministry of Environment and Natural Resources Protection to obtain an environmental permit, does not consider important issues associated with environmental risks. Specifically:

- the document does not contain information on a baseline study of adjacent areas, this makes the impact of industrial processes on the environment impossible to assess;
- the document includes neither engineering details of the main mining facilities nor an analysis of alternative locations for these facilities (including tailings), which would allow for the selection of the most environmentally sound options.

In addition to a number of problematic issues identified in the EIA report, the high acidity of the lower layers of the Sakdridi gold deposit should also be taken into account. Exploitation of this highly acidic layer will reproduce the environmental problems observed at the Madneuli copper deposit.

Recent developments around the archaeological site of Sakdrisi-Kachaghiani clearly reveal the fundamental problems in the field of heritage conservation in Georgia: inadequate policies for the protection and development of heritage, disrespect for the objectives of the law on cultural heritage, ignorance of regulations set by the law and breaches thereof.

On July 5th, 2013, the Ministry of Culture and Monuments' Protection, upon the request of the private mining company 'RMG Gold', annulled the heritage status of the Sakdrisi site, later also abolishing the archaeological protection zone.

The site was discovered in the 1980s and intensive archaeological research has been undertaken since 2004 by a joint German-Georgian expedition that believes that it is the oldest gold mine in the world, dating back to the 4th millennium B.C. A group of Georgian scientists have also interpreted the site as a 2nd millennium B.C. copper mine. A technical reason was provided by the Ministry of Culture and Monuments Protection for the abolition of the site's cultural heritage status.

The Sakdrisi mine still holds the status of an archaeological object, which requires that permission be obtained from the Ministries of Culture and Monuments' Protection and Environment and Natural Resources for mining works to be initiated.

On January 7th, 2014, 'RMG Gold' commenced illegal mining activities on the Sakdrisi site, since no permission from the authorities had been issued. Since then, experts have been denied access to the site. The monitoring unit of the National Agency for Cultural Heritage Protection of Georgia was denied access to the site three times, Meaning that 'RMG Gold' is in violation of the law on Cultural Heritage of Georgia.

On January 27th, the Advisory body to the Ministry of Culture and Monuments' Protection – the Council for the Protection of Cultural Heritage – discussed the issue of granting the status of cultural heritage monument to the Sakdrisi site and unequivocally recommended the Minister to grant monument status to the object. The Ministry did not accept the recommended decision.

The Sakdrisi site is of great interest to members of the international scientific and academic community, who have appealed to Georgian authorities to establish an international scientific council and continue studying the site.

Advocacy groups consisting of representatives of the academic community, cultural and artistic society, environmental and heritage communities, students and the wider public have been established to safeguard the Sakdrisi archaeological site. Despite this, on March 13th, the Ministry of Culture and Monuments' Protection has issued permission to the company 'RMG Gold' to commence mining activity on the site. The works have been initiated alongside professional and public protests. Archaeological heritage is being sacrificed for fiscal and business interests that contradict the European Convention for the Protection of Archaeological Heritage (Valetta, 1992) "...The aim of this (revised) Convention is to protect the archaeological heritage as a source of the European collective memory and as an instrument for historical and scientific study."

Based on the abovementioned information, we believe that it is necessary for the state to initiate a comprehensive study of on-going and planned mining activities at the Madneuli and Sakdrisi deposits with the assistance of independent international experts. The study should cover cultural heritage, environmental, and human rights protection issues. Only after completing the study and assessing all risks, and actively communicating with the public, can decisions regarding expansion of production can be made.

The state needs to update mining related legislation to bring it into line with EU standards, and ensure the involvement of all stakeholders in this process.

We recommend the state to suspend important decisions in the field of mining until implementation of these activities has been completed.

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